

EXHIBIT “F”



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ISSUED BY THE SUPERIOR COURT OF WASHINGTON
COUNTY OF KING, STATE OF WASHINGTON

MARK E. PHILLIPS,

Plaintiff,

vs.

CHAD HAROLD RUDKIN AND
ELIZABETH RUDKIN, STEPHEN
JAMES SCHWEICKERT, AND JANE
DOES 1 THROUGH 4,

Defendants.

MARK E. PHILLIPS,

Plaintiff,

vs.

STEPHEN JAMES SCHWEICKERT,
HUNTS POINT VENTURES, INC.,
and HUNTS POINT VENTURE
GROUP, LLC,

Defendants.

In the Receivership of:

HUNTS POINT VENTURES, INC., a
Washington Corporation

No. 13-2-07233-5 SEA

No. 13-2-07233-5 SEA

No. 13-2-40014-6 SEA

COPY

Deposition Upon Oral Examination

of

CHAD RUDKIN

9:03 a.m.

March 17, 2014

2033 Sixth Avenue, Suite 826

Seattle, Washington

Kristin L. Mattsen, CCR



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1 CHAD RUDKIN, witness herein, having been duly
2 sworn by the Certified Court
3 Reporter, testified under oath as
4 follows:

5 EXAMINATION

6 BY MR. YURCHAK:

7 Q. Thank you for coming. My name is Reed
8 Yurchak. I'm here to take your deposition today, and
9 you understand that; correct?

10 A. Yes.

11 Q. And I thought, before we -- before I begin to
12 formally ask you questions, I'd go over some of the
13 ground rules.

14 Have you ever been deposed before?

15 A. No.

16 Q. Okay. In terms of the process, I'll be
17 asking you questions. My questions and your answers
18 will be recorded by this court reporter; therefore, it's
19 important that we both speak not over the top of each
20 other. When we -- when I am giving questions and you
21 are responding, it's important to speak clearly, and
22 it's important to give verbal responses instead of
23 nonverbal shakes of the head or maybe an "uh-huh."

24 Do you understand that?

25 A. Yes.

1 Q. And you just took an oath with the reporter
2 to tell the truth. Do you understand that's the same
3 oath that you would take were you -- were you in a court
4 of law?

5 A. Yes.

6 Q. If for any reason you have trouble
7 understanding a question that I've asked you, please let
8 me know so that I can reask and state it more clearly.
9 Okay?

10 If at any time you feel you need a break,
11 breaks are okay. I would only ask that you not take a
12 break in the middle of a line of questioning.

13 During the deposition, you are permitted to
14 talk and confer with your attorneys only regarding
15 matters of privilege, privileged communications, whether
16 an answer that you may have is something that was a
17 privileged communication. Otherwise, under the rules,
18 you're not allowed to confer or seek advice on how to
19 answer a question that I've asked of you.

20 Is that clear?

21 A. Yes.

22 Q. And last, because it's critical that we get
23 your full, complete answers, I want to ask if you're
24 taking any medications that may impair your ability to
25 understand my questions or impair your ability to answer

1 my questions. Are you on any such medication?

2 A. No.

3 Q. Are you under the care of any doctor at the
4 moment, receiving treatment for something that would
5 impair your ability to answer my questions?

6 A. No.

7 Q. And have you taken any substances which may
8 affect your ability to respond and understand my
9 questions?

10 A. No.

11 Q. With that, I'll begin.

12 Could you please state your full name for the
13 record.

14 A. Chad Harold Rudkin.

15 Q. And where do you currently reside?

16 A. Bonney Lake, Washington.

17 Q. And do you have any plans to move within the
18 next year?

19 A. No.

20 Q. Before you came to testify today at this
21 deposition, did you speak to any -- did you speak to
22 your attorneys in preparation?

23 A. Yes.

24 Q. Can you identify which attorneys that you
25 spoke with.

1 A. Rylan and Joel.

2 Q. Could you please state your educational
3 background.

4 A. Washington State University, Bachelor of
5 Arts.

6 Q. And when did you go there?

7 A. 1993 to 1997.

8 Q. And you said you got a degree, a Bachelor of
9 Arts?

10 A. English.

11 Q. And did you receive any other formal
12 education after that?

13 A. Can you clarify that.

14 Q. Did you receive any education from -- from --
15 a degree from an institution providing any sort of
16 degree?

17 A. No.

18 Q. Did you receive any instruction or education
19 from any institution that provided some sort of
20 certificate?

21 A. The military.

22 Q. And could you explain what that is.

23 MR. WEYTHMAN: Objection. Vague.

24 Q. (BY MR. YURCHAK) What was the education that
25 you received from the military?

1 A. Leadership; tactics, techniques, and
2 procedures; special operations; aerial delivery of
3 personnel and equipment.

4 Q. And when were you -- so can I -- is it safe
5 to assume that you were in the military?

6 A. Yes.

7 Q. And at what times were you in the military?

8 A. 1998 -- actually -- yeah, '98 until 2003.

9 Q. And --

10 A. '97 till 2003.

11 Q. And what capacity were you serving in the
12 military?

13 A. Can you clarify that.

14 Q. What position? What were you doing there?

15 A. I was an officer.

16 Q. Okay. Did your position ever change while
17 you were in the military, or were you always an officer?

18 A. I was always an officer.

19 Q. Did your rank ever change?

20 A. Yes.

21 Q. In what way?

22 A. Promotion.

23 Q. From what to what?

24 A. Second lieutenant is where you start. Then
25 you get promoted to first lieutenant and then to

1 captain.

2 Q. Is that what happened to you?

3 A. Yes.

4 Q. And at what point did you become a captain?

5 A. I don't recall exactly. It was about 3 1/2
6 to 4 years in.

7 Q. Okay. And what were the circumstances with
8 you leaving the military?

9 A. I decided I wanted to do other things with my
10 life.

11 Q. So how did you get out?

12 A. I dropped the paperwork and was discharged
13 from the military.

14 Q. Is my understanding correct that it would be
15 dishonorably discharged? Is that how they term it?

16 A. No.

17 Q. Okay. Could you --

18 A. It was an honorable discharge.

19 Q. Oh, I'm sorry. Honorable discharge. Sorry.
20 I'm not familiar with -- very familiar with the
21 military.

22 And what did you do -- did you hold any other
23 positions, while you were in the military, in the
24 private sector?

25 A. Can you clarify that for me.

1 Q. Did you hold any other employment positions
2 in the private sector while you were in the military?

3 A. Not while I was active duty, no.

4 Q. Were you active duty the whole time you were
5 in the military through 2003?

6 A. No. Well, through 2003, I was active duty.
7 That's correct.

8 Q. Okay. And so what did you do upon leaving
9 the military for employment?

10 A. Went to work for Johnson & Johnson.

11 Q. And what did you do there?

12 A. Sold pharmaceuticals.

13 Q. And is that the same work position that
14 you're in today?

15 A. Yes. The role's changed.

16 Q. And how has the roles changed?

17 A. I work in institutions.

18 Q. Could you clarify what you mean by that --

19 A. Hospitals --

20 Q. -- working in institutions.

21 A. Large accounts, hospitals.

22 Q. And how is that different than -- from what
23 it was when you began?

24 A. When I began, it was calling on office-based
25 physicians.

1 Q. Okay. Now, prior to your involvement with
2 Hunts Point Ventures --

3 MR. WEYTHMAN: Objection. Lack of
4 foundation. Calls for evidence not in the record.

5 Q. (BY MR. YURCHAK) Prior to your involvement
6 in Hunts Point Ventures, have you ever been a corporate
7 officer of any corporation?

8 A. No.

9 Q. Have you ever received any specialized
10 training or had any education in corporate governance?

11 A. No.

12 Q. Did you have any training or experience in
13 corporate finance prior to your involvement in Hunts
14 Point Ventures?

15 A. No.

16 Q. Prior to your involvement in Hunts Point
17 Ventures, have you ever owned shares in any private
18 company?

19 A. No.

20 Q. Prior to Hunts Point -- your involvement in
21 Hunts Point Ventures, have you ever been involved in a
22 sale of shares in any company?

23 A. Can you clarify that.

24 Q. Have you ever been involved in the sale of
25 shares as a shareholder in any private company?

1 MR. WEYTHMAN: Objection. Vague.

2 Can you describe what you mean by "involved."

3 Q. (BY MR. YURCHAK) Have you ever sold any
4 shares or acquired any shares in a private company prior
5 to your involvement in Hunts Point Venture?

6 MR. WEYTHMAN: Objection. Asked and
7 answered. He's already testified -- he's already
8 testified that he's only been the shareholder of one.

9 Q. (BY MR. YURCHAK) Can you answer the
10 question, please.

11 A. No.

12 Q. Do you have any educational background in
13 information technology?

14 A. No.

15 Q. Do you have any background or experience or
16 expertise in computer programming?

17 A. No.

18 Q. Do you have any work experience in either
19 information technology or computer programming?

20 A. No.

21 Q. Now, you are currently the president and CEO
22 of Hunts Point Ventures; is that correct?

23 A. Yes.

24 Q. And there was a pause before you responded.
25 Is there a reason why you needed time to answer that

1 question?

2 A. The company's in receivership.

3 Q. And as a result of it being in receivership,
4 how did that --

5 A. My understanding is it takes it out of my
6 control.

7 Q. But as far as you're aware, you are still its
8 president and CEO; is that correct?

9 A. Yes.

10 Q. What is -- and what -- what is the primary
11 assets of Hunts Point Ventures?

12 A. Intellectual property.

13 Q. And what's your understanding of what that
14 intellectual property is?

15 A. It is in the IT realm.

16 Q. It's in the IT realm. What is your
17 understanding of what that intellectual property does?

18 A. Management of digital media.

19 Q. And in what ways does it manage digital
20 media?

21 MR. WEYTHMAN: Objection. Calls for a
22 lay opinion.

23 You can go ahead and answer.

24 THE WITNESS: It manages the way
25 information is transferred. It manages how -- the

1 user interface on selecting music and media.

2 Q. (BY MR. YURCHAK) And what does that
3 intellectual property consist of?

4 A. Patents.

5 Q. How many patents?

6 A. Several.

7 Q. Do you have an approximate idea of how many
8 patents?

9 MR. WEYTHMAN: Objection. Calls for
10 speculation.

11 Q. (BY MR. YURCHAK) How would you define
12 "several"?

13 A. More than four, less than seven.

14 Q. What's your current understanding of the
15 status of those patents?

16 A. They're in a receivership.

17 Q. Are the patents in good standing?

18 A. Yes.

19 Q. Is that -- are there any patents that are not
20 in good standing?

21 A. It is my understanding there is one that
22 there is issue with.

23 Q. And which patent is that?

24 A. I don't recall exactly.

25 Q. And what is the issue?

1 A. I don't recall.

2 Q. Now, did you rely upon anyone else in the --
3 in your management of Hunts Point Ventures?

4 A. Yes.

5 Q. And who did you rely upon?

6 A. Attorneys.

7 Q. Which attorneys?

8 A. Several attorneys.

9 Q. I didn't ask how many. I asked which
10 attorneys.

11 A. John Du Wors, Derek Linke, John Whitaker.

12 Q. Was there any one of those attorneys in
13 particular that you relied more upon than others?

14 A. Can you clarify.

15 Q. Is there any one attorney of those three that
16 you mentioned -- well, first of all, let me strike that
17 and back up.

18 Are there any other attorneys other than
19 these three that you mentioned -- John Du Wors, Derek
20 Linke, John Whitaker -- that you relied upon but did not
21 mention?

22 A. Not that I recall.

23 Q. And where do these attorneys work? Are they
24 associated with a certain firm?

25 A. Yes.

1 Q. And which firm is that?

2 A. Newman & Du Wors.

3 Q. And going back to my previous question, was
4 there any one of those three that you relied upon to a
5 greater extent than the others?

6 A. Yes.

7 Q. And which attorney was that?

8 A. John Du Wors.

9 Q. And what role did John Du Wors play in Hunts
10 Point Ventures?

11 A. That's kind of vague. Can you clarify that
12 for me.

13 Q. I'm not sure I can.

14 What role did he play in Hunts Point
15 Ventures?

16 A. Prosecution of the patents.

17 Q. And did he play any other role?

18 A. Advising on corporate matters.

19 Q. Anything else that you can recall that he
20 did?

21 A. Not that I recall.

22 Q. And who did he represent?

23 MR. WEYTHMAN: Can you clarify "who."

24 Q. (BY MR. YURCHAK) Who or what did he
25 represent?

1 A. Hunts Point Ventures.

2 Q. Did you have an attorney-client relationship
3 with John Du Wors?

4 A. No.

5 Q. At that point in time, did you seek
6 Mr. Du Wors' advice for any personal matters that you
7 may have had, unrelated to Hunts Point Ventures?

8 A. I don't recall.

9 Q. Is there anything that would help refresh
10 your recollection as to whether or not you ever sought
11 his advice with respect to personal matters?

12 A. I didn't have an attorney-client relationship
13 with him.

14 Q. And I believe you stated that he was the
15 attorney for Hunts Point Ventures; is that correct?

16 A. That's correct.

17 Q. During the time that you were president and
18 CEO of Hunts Point Ventures up to 2013, did you have an
19 attorney to represent you as president and CEO of Hunts
20 Point Ventures?

21 A. Can you clarify that for me.

22 Q. Between -- up until 2013 --

23 A. Uh-huh.

24 Q. -- did you have an attorney-client
25 relationship with an attorney for your role as president

1 and CEO of Hunts Point Ventures?

2 A. No.

3 Q. In your role as president and CEO of Hunts
4 Point Ventures, would you ever have occasion to seek
5 advice about what actions to take?

6 A. Yes.

7 Q. From whom did you seek advice?

8 A. The corporate attorney, John Du Wors.

9 Q. Did you ever recall signing any sort of
10 conflict waiver with Mr. Du Wors in seeking that advice?

11 A. I don't recall.

12 Q. When you were seeking advice from
13 Mr. Du Wors, was that of a legal nature?

14 A. I don't recall.

15 Q. And I believe your answer to my question was
16 that you did seek advice from John Du Wors in your role
17 as president and CEO of Hunts Point Ventures; is that
18 correct?

19 A. No, that is not correct.

20 Q. Oh, what was your answer?

21 A. My answer was in dealing with the
22 corporation, what the corporation should do. That's
23 what I said, talked to him about consulting with
24 counsel.

25 Q. So you never sought advice from John Du Wors

1 in terms of how -- in terms of seeking legal advice for
2 your role as president and CEO?

3 A. I don't recall.

4 Q. Is it possible that you did?

5 A. I don't recall.

6 MR. WEYTHMAN: Objection. Calls for
7 speculation.

8 Q. (BY MR. YURCHAK) Is it possible that you
9 did, even though you don't recall?

10 A. In the operations of the business, he was the
11 corporate counsel.

12 Q. I understand that, and what I'm asking is if
13 you ever sought guidance from him legally as far as your
14 role as CEO and president.

15 MR. WEYTHMAN: Objection. Vague.

16 THE WITNESS: I don't recall.

17 Q. (BY MR. YURCHAK) Going back to two
18 thousand -- early 2010, at what point do you recall
19 conversations regarding the setting up of a corporation
20 in relation to Mark Phillips?

21 MR. WEYTHMAN: Objection. Assumes
22 evidence not in the record. Also, vague.

23 THE WITNESS: Can you restate that -- I
24 mean, break it down a little bit.

25 Q. (BY MR. YURCHAK) Going back to early 2010,

1 at what point in time can you recall conversations
2 starting about setting up a corporation in relation to
3 Mark Phillips?

4 A. Conversations with whom?

5 Q. Could be with anybody.

6 A. I don't recall specifics on conversations
7 that I had four years ago.

8 Q. Did you have any conversations with Mark
9 Phillips about setting up a corporation?

10 A. Yes.

11 Q. What was the -- what were those conversations
12 about?

13 A. I don't recall.

14 Q. Did you ever have a conversation about
15 setting up a specific corporation, called Hunts Point
16 Ventures?

17 A. Yes.

18 Q. Did you have a conversation with Mark
19 Phillips about that?

20 A. I'm sure there were many conversations about
21 that.

22 Q. Did you have a conversation with any other
23 persons about that?

24 A. I don't recall, but I'm sure there was --

25 THE COURT REPORTER: I can't hear you.

1 THE WITNESS: I don't recall

2 specifically. I'm sure there were other conversations
3 that happened.

4 Q. (BY MR. YURCHAK) Do you recall with what --
5 which other people you may have had other conversations
6 about that?

7 A. Can you clarify that for me, as far as --

8 Q. I'm asking who you remember having
9 conversations with about forming Hunts Point Ventures.

10 A. Okay. Steve Schweickert, Doug Lower, Kenn
11 Gordon.

12 Q. Are there any other people?

13 A. Mark Phillips, I'm sure.

14 Q. And what was your understanding of what the
15 Hunts Point Ventures corporation was supposed to be
16 about?

17 A. Supposed to be a corporation that pursued
18 intellectual property.

19 Q. Pursued -- pursued intellectual property?
20 What do you mean by that?

21 A. License intellectual property.

22 Q. And who was it to be licensing from?

23 A. Hunts Point Ventures.

24 Q. Hunts Point --

25 A. Hunts Point Ventures to infringing companies.

1 Q. You said Hunts Point Ventures was set up to
2 be -- to license intellectual property; is that correct?

3 A. Pursue and license -- pursue licenses for
4 intellectual property, yes.

5 Q. So Hunts Point Ventures -- can you describe
6 what that means, to pursue licensing of the intellectual
7 property.

8 A. To contact companies to potentially utilize
9 the technology held by the patents in order to get them
10 to pay a license fee.

11 Q. Okay. And what was -- you mentioned four
12 people with whom you had conversations regarding this
13 corporation -- right? -- Stephen, Doug, Kenn, and Mark?

14 A. (No audible response.)

15 Q. What was your understanding of the roles
16 those individuals were to play in Hunts Point Ventures?

17 A. I don't recall.

18 Q. What was your understanding of the role
19 Stephen Schweickert was to play?

20 A. Steve was the initial -- I don't know how to
21 say it -- forming person of the company.

22 Q. Okay. And what role was Doug supposed to
23 play?

24 A. I don't recall.

25 Q. And what role was Kenn supposed to play?

1 A. Kenn was not ever really part of anything.

2 Q. You recall having conversations with him
3 about Hunts Point Ventures?

4 A. Uh-huh.

5 Q. How was he not a part of anything?

6 A. He did not trust that Mark Phillips could be
7 a viable person to work with.

8 Q. Do you recall specifically what he said
9 regarding why Mark Phillips would not be a viable person
10 to work with?

11 A. I don't recall exactly, no.

12 Q. Do you have any communications from him
13 regarding that statement?

14 A. No.

15 Q. And what were your conversations with Mark
16 Phillips about his role in Hunts Point Ventures?

17 A. I don't recall.

18 Q. You have no recollection --

19 MR. WEYTHMAN: Objection. Asked and
20 answered.

21 Q. (BY MR. YURCHAK) -- of any conversation that
22 you had with Mark Phillips about any role in Hunts Point
23 Ventures?

24 A. I don't recall.

25 Q. Is it possible that you had any conversation

1 with Joyce Schweickert in her role with Hunts Point
2 Ventures?

3 A. I don't recall that either.

4 Q. And do you recall any conversations with
5 James Schweickert about Hunts Point Ventures?

6 A. No.

7 Q. And do you know who James Schweickert is?

8 A. Yes.

9 Q. Who is James Schweickert?

10 A. He's the son of Steve Schweickert.

11 Q. And going back to Steve, how long have you
12 known Steve?

13 A. Since the early '90s.

14 Q. Do you recall how you met?

15 A. Yes.

16 Q. How did you meet?

17 A. When his son went to school at Missouri
18 Military Academy.

19 Q. Is that James?

20 A. Yes.

21 Q. He went to the military academy?

22 And how did you meet Doug Lower?

23 A. At Missouri Military Academy.

24 Q. And how did you meet Kenn Gordon?

25 A. Through Mark Phillips.

1 Q. Do you remember when?

2 A. I don't recall.

3 Q. Do you remember approximately when?

4 A. I would say early 2010.

5 Q. And how did you meet Mark Phillips?

6 A. At Missouri Military Academy.

7 Q. Now, when were you at the Missouri Military
8 Academy?

9 A. 1989 to 1992.

10 Q. Was the -- was that academy a secondary
11 school prior to college, or was it college?

12 MR. WEYTHMAN: Objection. Compound.

13 THE WITNESS: It was high school.

14 Q. (BY MR. YURCHAK) It was high school. Okay.
15 And how many years were you there for?

16 A. Three.

17 Q. Do you recall how many years Mark was there
18 for?

19 A. I don't recall. He was a year behind me. I
20 don't know if he was there for three or four years. I
21 don't recall.

22 Q. And how would you characterize the nature of
23 your relationship with Mark at the time you were at the
24 academy?

25 A. Friendly.

1 Q. Could you elaborate. Were you good friends?
2 Were you casual friends?

3 MR. WEYTHMAN: Objection. Compound.

4 THE WITNESS: More casual friends.

5 Q. (BY MR. YURCHAK) Did that friendship always
6 remain the same way?

7 MR. WEYTHMAN: Objection. Vague.

8 Q. (BY MR. YURCHAK) Did it always remain
9 casual?

10 A. Yes.

11 Q. After the military academy, did you and Mark
12 stay in touch?

13 A. No.

14 Q. At what point in time did you reconnect?

15 A. I don't recall exactly. I believe I ran into
16 him once when I was at school at Washington State
17 University during the summertime. Then I remember I ran
18 into him -- I don't recall the year, but it was here in
19 Seattle at a restaurant.

20 Q. Okay. And what did you understand your role
21 was to be in the -- in the entity Hunts Point Ventures
22 at -- during the time these conversations were happening
23 that I was asking about?

24 MR. WEYTHMAN: Objection. Vague.

25 THE WITNESS: I don't think any roles

1 were clearly defined as the intent, purpose of Hunts
2 Point Ventures was very mercurial and kept changing.

3 Q. (BY MR. YURCHAK) I'm sorry. You said the
4 roles were not clearly defined?

5 A. Yes.

6 Q. And in what way did the roles continue to
7 change? Well, let me strike that.

8 What did you initially understand your role
9 to be? What was the first understanding you had of your
10 role?

11 MR. WEYTHMAN: Objection. Compound.

12 Q. (BY MR. YURCHAK) What was the first
13 understanding of what your role was to be at Hunts Point
14 Ventures?

15 A. To work with other individuals to get the
16 business up and running.

17 Q. In what way were you to work?

18 A. That changed a lot.

19 Q. In what way did you understand how you were
20 to work initially?

21 A. To keep Mark out of trouble.

22 Q. What does that mean?

23 A. Mark was being sued by several different
24 people, I think his corporation, MOD Systems. And
25 trying to help organize and help him at the time.

1 Q. And how were you to help him? What kind of
2 assistance?

3 A. Initially, I helped him by having him
4 released into my custody after he was arrested by the
5 FBI.

6 Q. Now, was this a role that you understood to
7 be related to Hunts Point Ventures?

8 A. No. I did it as a friend.

9 Q. You were explaining -- you were answering my
10 question about what your role initially was in Hunts
11 Point Ventures, and your answer was that you were
12 helping Mark to stay out of trouble; is that correct?

13 A. That -- initially, as the corporation was
14 being formed, as the group was being formed -- it wasn't
15 even a corporation -- Mark was arrested by the federal
16 government, and I volunteered to have him come be
17 released into my custody so he didn't have to stay in
18 the Federal Detention Center.

19 Q. When do you recall that -- when do you recall
20 him being arrested?

21 A. I believe it was at the end of March of 2010.

22 Q. At what point did he -- was he released to --
23 is it okay to say your custody?

24 MR. WEYTHMAN: Objection. Vague.
25 Compound.

1 THE WITNESS: I don't recall exactly,
2 but I believe it was April.

3 Q. (BY MR. YURCHAK) Okay. Is that a fair way
4 to describe how he was released to you, as being in your
5 custody?

6 A. You would have to look at the documents --
7 the release documents for his bond, but I believe that's
8 what it was -- is -- is -- if I recall, the judge did
9 not want him just released out. He wanted him in
10 someone's custody.

11 Q. Okay. So from what -- when you say the judge
12 did not want Mark released out, what does that mean?

13 A. Out to his own devices.

14 Q. Do you recall receiving any instruction from
15 any -- from the Court or a probation officer as far as
16 what you understood your role to be when Mark was to be
17 in your custody?

18 A. I don't recall. They were -- there was
19 documents that they -- that they gave, but I don't
20 recall. It involved getting him to his drug tests and
21 court appointments.

22 Q. These are documents they gave to you?

23 A. Yes.

24 Q. Okay. So you understood you had certain
25 responsibilities?

1 MR. WEYTHMAN: Objection.

2 Mischaracterizes the witness's testimony.

3 Q. (BY MR. YURCHAK) Did you have -- did you
4 understand that you had certain responsibilities from
5 the Court over Mark Phillips?

6 A. To provide him a place -- safe place to live.

7 Q. Did you have any other responsibilities that
8 you were aware of in terms of making sure Mark followed
9 any court orders?

10 A. No.

11 Q. What was your understanding about how long
12 this custodial care, if you will, was to last?

13 A. I don't recall.

14 Q. Did you have an -- was there any sense that
15 it was to last indefinitely?

16 A. No.

17 Q. At what point did you understand that it
18 should terminate?

19 MR. WEYTHMAN: Objection. Asked and
20 answered.

21 THE WITNESS: My understanding was that
22 the charges against Mark wouldn't stick and that he
23 would be done with those in a very short order, which
24 did not happen to be the case.

25 Q. (BY MR. YURCHAK) And how long did Mark end

1 up staying with you?

2 A. I believe he stayed until sometime in August
3 2010.

4 Q. Sorry to ask again, but I believe you said he
5 came in April; is that right?

6 A. Yes.

7 Q. And left in August?

8 A. Oh, he left -- that was the second time he
9 left. He left once before.

10 Q. Okay. When was that?

11 A. I believe it was in June. He was rearrested
12 for violating his bond.

13 Q. So the first stint with you was from April to
14 June; is that correct?

15 A. I believe so. I'm not sure on the specific
16 dates but that --

17 Q. In the summertime, you mean?

18 A. Yes. It was in that time frame.

19 Q. But at some point in time, he was rearrested;
20 is that right?

21 A. Yes. The FBI showed up at my door at
22 6:00 o'clock in the morning and raided my home.

23 Q. And what do you mean by that?

24 A. At 6:00 o'clock in the morning, they were
25 pounding on my door with approximately 15 to 20 vehicles

1 blockading my street with agents in full body armor and
2 weapons drawn.

3 Q. What do you mean by "raiding" your home?

4 A. They came into my home in front of my
5 children and my wife with their guns drawn, looking for
6 Mark Phillips.

7 Q. And their purpose there was to do what?

8 A. To arrest him.

9 Q. Did they search your home?

10 A. No.

11 Q. And at some point, Mark came back to your
12 home?

13 A. Yes.

14 Q. And when was that?

15 A. I don't recall. A couple weeks afterwards.

16 Q. And he stayed until August; is that right?

17 A. I believe it was August time frame, yes.

18 Q. Now --

19 A. He was rearrested at that point.

20 Q. Okay. Do you -- the second time he came
21 back, after the FBI showed up at your door, was that
22 again a voluntary placement with you that you accepted?

23 A. Yes.

24 Q. And you've described that situation with Mark
25 staying at your house as being part of your first role

1 in Hunts Point Ventures.

2 A. No. That's incorrect.

3 Q. Could you then state what your -- what you
4 understood your initial role to be in Hunts Point
5 Ventures.

6 A. None of that was clearly defined.

7 Q. Did you understand what your role was to be
8 in -- initially in Hunts Point Ventures?

9 A. I already answered your question.

10 Q. You said it wasn't clearly defined, and I'm
11 asking if you had any understanding at all of what it
12 was to be.

13 A. I don't recall.

14 Q. And you said that role changed a lot, did you
15 not?

16 A. I didn't say that my role changed a lot. I
17 said that the idea of the company changed a lot.

18 Q. Okay. What was the idea of the company
19 initially supposed to be?

20 A. To go out and litigate patents.

21 Q. What was the first change to litigating
22 patents?

23 MR. WEYTHMAN: Objection. Vague.

24 THE WITNESS: Mark Phillips being
25 arrested by the FBI.

1 Q. (BY MR. YURCHAK) How did that change what
2 the function of what Hunts Point Ventures was supposed
3 to be?

4 A. The resources were directed towards clearing
5 up that mess instead of litigating patents.

6 Q. In what ways did Hunts Point Ventures act to
7 clear up that mess, as you put it?

8 A. Can you clarify for me.

9 Q. What things did Hunts Point Ventures do to
10 help clear up that mess, as you put it?

11 A. Hired attorneys.

12 Q. Which attorneys?

13 A. Okay. Yeah. I shouldn't say that Hunts
14 Point Ventures hired attorneys. Hunts Point Ventures
15 loaned Mark money to hire attorneys.

16 Q. So which attorneys did Hunts Point Ventures
17 hire?

18 A. Hunts Point Ventures didn't hire attorneys.
19 Hunts Point Ventures loaned money so Mark could hire
20 attorneys.

21 Q. Who did Hunts Point Ventures loan money to?

22 A. Mark Phillips.

23 Q. Are there any contracts or documents to that
24 effect that are in the records of Hunts Point Ventures?

25 A. There were checks written on behalf of Mark

1 Phillips.

2 Q. Were there any loan documents signed by Hunts
3 Point Ventures and Mark, showing that a corporate loan
4 was being made on behalf of Mark Phillips?

5 A. I don't recall.

6 Q. And isn't it true that Mark Phillips was
7 arrested in March, as you said?

8 A. I believe so. I don't know the exact dates.

9 Q. How is it that Hunts Point Ventures' role
10 changed towards clearing up that mess if it -- if the
11 charges were filed in March?

12 MR. WEYTHMAN: Objection. Vague.

13 THE WITNESS: I don't understand.

14 Q. (BY MR. YURCHAK) Wouldn't Hunts Point
15 Ventures, in the initial stages of its development, have
16 already understood that criminal charges were filed
17 against Mark?

18 A. No.

19 Q. Why? Why not?

20 MR. WEYTHMAN: Do you understand the
21 question?

22 THE WITNESS: I don't understand what
23 you're saying.

24 Q. (BY MR. YURCHAK) Your testimony was that the
25 concept of Hunts Point Ventures changed a lot.

1 A. Yes.

2 Q. And it changed because of the mess Mark got
3 into. I'm simply asking, didn't Mark's mess start in
4 March of 2010, at the same time Hunts Point Ventures was
5 being formed?

6 A. A new iteration of Mark's mess started in
7 March when Mark got arrested. Prior to that, Mark had a
8 whole other set of messes going on in civil court.

9 Q. What was the new iteration?

10 A. His criminal proceedings.

11 Q. When did the criminal proceedings begin?

12 A. When he was arrested.

13 Q. And was that in March?

14 A. I already answered that, and I said that,
15 yes, I believe so.

16 Q. So how does that change anything? How does
17 Hunts Point Ventures change?

18 A. I'm not sure I understand your question.

19 Q. I'm trying to understand your testimony,
20 because you said -- you testified that Hunts Point
21 Ventures, as a company, changed drastically because of
22 the mess Mark got into. I'm simply pointing out that --
23 didn't Mark's mess start in March 2010?

24 A. The latest iteration of his mess started in
25 March of 2010.

1 Q. So how did Hunts Point Ventures change from
2 that point on, from March?

3 A. Resources that Hunts Point Ventures had were
4 redirected away from doing legitimate business it was
5 supposed to do, litigating patents, to loaning Mark
6 funds so he could fund his criminal defense.

7 Q. Would Hunts Point Ventures have already known
8 that Mark Phillips was charged criminally in March of
9 2010?

10 A. I don't -- I don't understand what you're
11 trying to get at here, what you're asking.

12 Q. Would Hunts Point Ventures have known that
13 Mark was charged criminally in March of 2010?

14 A. Mark didn't know he was going to be charged
15 criminally.

16 Q. That doesn't answer my question.

17 Did Hunts Point Ventures --

18 A. I don't know. I don't know.

19 Q. You testified that Mark was charged
20 criminally in March of 2010.

21 A. Yes, he was.

22 Q. Was Hunts Point Ventures not aware that it
23 had to -- that a defense was needed from March of 2010?

24 MR. WEYTHMAN: Objection. Vague.

25 Q. (BY MR. YURCHAK) Was Hunts Point Ventures

1 not aware that it would have to -- that it may have to
2 spend resources regarding Mark -- Mark's defense --

3 A. No.

4 Q. -- for -- because he was charged in March of
5 2010?

6 A. No.

7 Q. Why was it not aware?

8 A. Why should it?

9 Q. Why should it what?

10 A. Why should it have to spend money?

11 Q. That wasn't my question. My question was was
12 it aware? Was it aware that Mark had criminal issues in
13 March of 2010?

14 A. After he was arrested.

15 Q. Yes or no?

16 A. I just answered your question. Yes, after he
17 was arrested.

18 Q. I didn't hear you say "yes."

19 Is your testimony still the same, that Hunts
20 Point Ventures changed in what it was about --

21 A. It was --

22 Q. -- from March of 2010 on?

23 A. It was sidetracked, yes. It was sidetracked.

24 Q. Sidetracked in what way?

25 A. It couldn't move forward and do anything.

1 Q. What was the purpose for setting up Hunts
2 Point Ventures, as you understood it to be?

3 MR. WEYTHMAN: Asked and answered.

4 Q. (BY MR. YURCHAK) And I'll strike that
5 question.

6 What did you understand the purpose of Hunts
7 Point Ventures to be with respect to Mark Phillips?

8 MR. WEYTHMAN: Objection. Vague.

9 THE WITNESS: At the time, Mark Phillips
10 owned intellectual property.

11 Q. (BY MR. YURCHAK) Is that your -- your
12 answer? Did you have anything else to add?

13 A. No.

14 Q. So Mark Phillips owned intellectual property.
15 Do you have any other understanding with respect to the
16 relationship between Mark's intellectual property and
17 Hunts Point Ventures?

18 A. Can you clarify that for me.

19 Q. What did you understand -- did you have any
20 other understanding with respect to what the
21 relationship was between Mark's intellectual property
22 and Hunts Point Ventures?

23 A. I don't recall.

24 Q. Do you recall when Hunts Point Ventures was
25 set up?

1 MR. WEYTHMAN: Objection. Vague.

2 What do you mean by "set up"?

3 Q. (BY MR. YURCHAK) Incorporated. Do you
4 recall when it was incorporated with the State of
5 Washington?

6 A. I don't recall specifically.

7 Q. Would -- would you disagree if I said it was
8 incorporated on May 5th, 2010?

9 MR. WEYTHMAN: Objection. Complex.
10 Confusing.

11 THE WITNESS: I couldn't agree or
12 disagree because I don't know.

13 Q. (BY MR. YURCHAK) Would it help to refresh
14 your recollection if you saw a document?

15 If you could mark that as Exhibit 1.

16 (Exhibit No. 1 marked for
17 identification.)

18 Q. (BY MR. YURCHAK) And I've handed one copy to
19 you and to your attorney.

20 Do you recognize this document?

21 MR. WEYTHMAN: Objection. Compound.

22 There's still the question pending on the
23 record.

24 THE WITNESS: No, I don't recognize this
25 document.

1 Q. (BY MR. YURCHAK) I'll give you a minute to
2 look through the document.

3 Are you able to identify this document?

4 A. I have never seen this document.

5 Q. If I could --

6 A. I should say I don't recall seeing this
7 document.

8 Q. -- direct your attention to page 3.

9 Do you ever recall seeing this document?

10 MR. WEYTHMAN: Objection.

11 I don't see a page 3.

12 MR. YURCHAK: They're not numbered, but
13 you can count.

14 THE WITNESS: I don't recall seeing this
15 document, no.

16 Q. (BY MR. YURCHAK) This document is titled
17 "Articles of Incorporation of Hunts Point Ventures."

18 This is the corporation that you're the CEO
19 of; correct?

20 A. Uh-huh.

21 Q. And you've never seen this document before?

22 A. I don't recall seeing this document, no.

23 Q. You see that it's been filed with the
24 Secretary of State on May 3, 2010?

25 A. Yes, I do see that.

1 Q. Is this a document that you would have kept
2 in the ordinary course of business in running Hunts
3 Point Ventures?

4 A. As you can see on here, I was not a director
5 of Hunts Point Ventures as of May 3rd, 2010.

6 Q. Okay. And --

7 A. So I wouldn't have these documents, no.

8 Q. Okay. Do you have any of the documents prior
9 to your involvement in Hunts Point Ventures?

10 A. I don't recall.

11 Q. Have you reviewed the corporate documents for
12 Hunts Point Ventures during your time as CEO?

13 A. I reviewed documents. I don't recall exactly
14 which ones they were, no.

15 Q. And when did your involvement in Hunts Point
16 Ventures -- when do you consider your involvement with
17 Hunts Point Ventures as beginning?

18 MR. WEYTHMAN: Objection. Vague.

19 What do you mean by "involvement"?

20 Q. (BY MR. YURCHAK) When do you consider your
21 involvement as an officer beginning in Hunts Point
22 Ventures?

23 A. I believe that occurred in 2012.

24 Q. Do you remember approximately when?

25 A. It would have been in the first half of the

1 year.

2 Q. Would you agree that this document shows that
3 Hunts Point Ventures incorporated on May 3, 2010?

4 A. That's what the document says.

5 Q. Do you have anything to dispute that Hunts
6 Point Ventures was not incorporated with Washington
7 State on that day?

8 A. I don't have any dispute. I just don't know
9 the veracity of where these documents came from.

10 Q. Do you have any personal knowledge as to when
11 your corporation was incorporated?

12 A. I'm sorry. Can you restate the question.

13 Q. Do you have any personal knowledge about when
14 your corporation, Hunts Point Ventures, was incorporated
15 with Washington State?

16 A. Do I have any knowledge of it?

17 Q. Any personal knowledge.

18 A. No. It was done by Steve Schweickert.

19 Q. Now, you would agree that Hunts Point
20 Ventures was formed after the point in time when Mark
21 was charged criminally; is that correct?

22 A. That's what the documents say.

23 Q. Is it your recollection that Hunts Point
24 Ventures was aware of Mark's criminal charges at the
25 time it was formed?

1 A. I don't know.

2 Q. What was your understanding about what --
3 about who was to own intellectual property after Hunts
4 Point Ventures was formed?

5 MR. WEYTHMAN: Objection. Vague.

6 THE WITNESS: Can you restate that.

7 Q. (BY MR. YURCHAK) What was your understanding
8 about who was to own the intellectual property after
9 Hunts Point Ventures was formed?

10 A. The company.

11 Q. And why do you have that understanding?

12 A. That's what Steve Schweickert said was going
13 to happen.

14 Q. And where -- what is the basis for your
15 knowledge when you say that is what Steve Schweickert
16 said that is what was to happen?

17 A. I don't recall.

18 Q. Could that have been in a conversation with
19 you?

20 A. Possibly.

21 Q. Could that have been in a conversation with
22 him, you, and Mark?

23 A. Possibly.

24 Q. Could that have been in an email?

25 MR. WEYTHMAN: Objection. Leading.

1 THE WITNESS: I don't recall.

2 MR. YURCHAK: Could you mark that as
3 Exhibit 2.

4 (Exhibit No. 2 marked for
5 identification.)

6 Q. (BY MR. YURCHAK) If I could direct your
7 attention to the header --

8 A. Uh-huh.

9 Q. -- who does it appear this email came from?

10 A. Steve Schweickert.

11 Q. And do you recognize that email address?

12 A. Yes.

13 Q. And who does it appear the email was sent to?

14 A. Mark Phillips, Doug Lower, Chad Rudkin, and
15 Kenn Gordon.

16 Q. With respect to your email address, is that
17 the email address that you are familiar with?

18 A. Yes.

19 Q. Do you have any recollection -- and I'll give
20 you time to review this email -- of this email?

21 A. Do I have any recollection of this specific
22 email?

23 Q. Correct.

24 A. No.

25 Q. If I could direct your attention to the third

1 paragraph, fourth line down, starting with "There":

2 "There has never been a question in my mind
3 that Mark's IP's are his and that cap value
4 of those are his."

5 Do you see that written there?

6 A. Uh-huh.

7 THE COURT REPORTER: "Yes"?

8 THE WITNESS: Yes.

9 Q. (BY MR. YURCHAK) So where did your
10 understanding come from, again? Well, let me strike
11 that.

12 What is your understanding of that sentence?

13 MR. WEYTHMAN: Objection. Calls for
14 speculation.

15 THE WITNESS: Steve wrote this. I
16 didn't. This is -- this is Steve's opinion. This is
17 his thoughts. It looks like Steve's thoughts.

18 Q. (BY MR. YURCHAK) You said that Steve formed
19 Hunts Point Ventures; correct?

20 A. That's correct.

21 Q. And did you have any involvement in Hunts
22 Point Ventures at that time?

23 A. Yes.

24 Q. What was your involvement?

25 A. I don't recall. Meetings, conversations.

1 Q. Did you have any formal involvement?

2 A. No.

3 Q. Why --

4 A. I should ask you to clarify. What do you
5 mean "formal involvement"?

6 Q. As an employee, officer, subcontractor.

7 A. Not as an employee, not as an officer.

8 Q. Why were you -- if you had -- so let me make
9 sure I'm straight on this.

10 Did you have no involvement with Hunts Point
11 Ventures around this time frame -- and my -- when it was
12 incorporated?

13 MR. WEYTHMAN: Objection.

14 Unintelligible. I didn't understand what you said.

15 Q. (BY MR. YURCHAK) You had -- am I correct
16 that you did not have any involvement in Hunts Point
17 Ventures at the time that it was incorporated in May
18 2010?

19 A. I was there for conversations. I was there
20 for meetings. However, it states clearly here that the
21 incorporating officers are Steve Schweickert and Joyce
22 Schweickert.

23 Q. Okay. So you were just there for meetings;
24 is that correct?

25 MR. WEYTHMAN: Objection.

1 Mischaracterizes the witness's testimony.

2 Q. (BY MR. YURCHAK) Did I mischaracterize your
3 testimony --

4 A. Yes, you did.

5 Q. -- that you were just there for meetings?

6 A. I was involved in discussions and meetings on
7 how this was all going to get set up.

8 Q. Okay. Why were you not -- why are you not
9 reflected in the -- as having any sort of formal
10 involvement in Hunts Point Ventures when it was set up?

11 MR. WEYTHMAN: Objection. Vague.

12 What do you mean by "reflected"?

13 THE WITNESS: Yeah. Are you referring
14 to the Articles of Incorporation?

15 Q. (BY MR. YURCHAK) Were you a board member of
16 Hunts Point Ventures?

17 A. No.

18 Q. Were you a shareholder?

19 A. No.

20 Q. Were you an officer?

21 A. No.

22 Q. Did you have any formal recognition of having
23 any sort of involvement with Hunts Point Ventures?

24 A. The only formal recognition of anybody who
25 had involvement in Hunts Point Ventures is right here,

1 Steve Schweickert and Joyce Schweickert.

2 Q. Fair enough. So why were you involved in
3 those conversations about setting up Hunts Point
4 Ventures?

5 A. Because there was a plan to move forward that
6 there would be individuals involved with Hunts Point
7 Ventures.

8 Q. And what was that plan?

9 A. That at some point, I would become a
10 shareholder of Hunts Point Ventures.

11 Q. And was that all there was to that plan,
12 involving you as a shareholder?

13 MR. WEYTHMAN: Objection. Vague.

14 THE WITNESS: I don't recall.

15 Q. (BY MR. YURCHAK) What other -- what else did
16 the plan involve -- entail that you were having
17 discussions about?

18 A. I don't know. I don't know what you're
19 getting at. I don't under --

20 Q. In response to my question about what those
21 plans were, you only said that it was -- it was my
22 understanding that you would become a shareholder.

23 A. Yes.

24 Q. What other -- what other things did that plan
25 involve?

1 A. I don't understand what you're -- what you're
2 saying. What other things?

3 Q. Was the entirety of the discussions that you
4 were having at that time just about you becoming a
5 shareholder in Hunts Point Ventures?

6 A. No.

7 Q. So what other --

8 A. I don't recall.

9 Q. You don't recall?

10 A. No.

11 Q. Now, Steve was the person to incorporate
12 Hunts Point Ventures, as you say. Was there a reason
13 for that?

14 MR. WEYTHMAN: Objection. Calls for
15 speculation. Assumes personal knowledge.

16 THE WITNESS: I don't recall.

17 Q. (BY MR. YURCHAK) Do you have any reason or
18 evidence or document to show that Steve's statement that
19 Mark's IP is his was not the plan for Hunts Point
20 Ventures?

21 A. Can you clarify that for me. I'm sorry.

22 Q. Do you have any evidence to show that Steve's
23 statement that Mark's IP is his was not true or was not
24 the plan for Hunts Point Ventures?

25 MR. WEYTHMAN: Objection. Compound.

1 THE WITNESS: I'm not sure I understand
2 what you're asking.

3 Q. (BY MR. YURCHAK) Do you have anything to
4 show or anything to say with respect to Steve's
5 statement here in his email to you and the others that
6 Mark's IP is his?

7 MR. WEYTHMAN: Objection. Vague.
8 Is whose?

9 Q. (BY MR. YURCHAK) That Mark's IP's belongs to
10 him.

11 MR. WEYTHMAN: Objection. Vague.
12 Who's "him"?

13 Q. (BY MR. YURCHAK) Mark.

14 A. I believe at the time the IP belonged to Mark
15 Phillips, yes, and that Mark -- as of when he wrote
16 this, that March the 29th, 2010, at 1:23 in the morning,
17 I believed that to be the case.

18 Q. Did your understanding of that ever change?

19 MR. WEYTHMAN: Objection. Vague.
20 Understanding of what?

21 THE WITNESS: Can you clarify that.
22 Understanding --

23 Q. (BY MR. YURCHAK) Has your understanding of
24 Mark's IP belonging to him ever changed?

25 A. Yes.

1 Q. Why?

2 A. Hunts Point Ventures had purchased
3 intellectual property from Mark Phillips; so, therefore,
4 when the company purchases something from an individual,
5 it no longer -- the ownership transfers from that
6 individual to the company.

7 Q. Okay. And when did that occur?

8 A. I don't recall.

9 Q. What were the circumstances when Hunts Point
10 Ventures acquired the intellectual property?

11 MR. WEYTHMAN: Objection. Vague.

12 THE WITNESS: Can you clarify that for
13 me, "circumstances."

14 Q. (BY MR. YURCHAK) Do you recall -- did you
15 have any role in Hunts Point Ventures at the time it
16 acquired the Hunts Point -- it acquired -- Hunts Point
17 Ventures acquired the intellectual property?

18 A. Can you clarify. I just don't understand
19 what you --

20 Q. Did you have any role in Hunts Point Ventures
21 at the time it acquired intellectual property?

22 A. "Role" is a broad term. Can you be more
23 specific, please.

24 Q. How would you define your role in Hunts Point
25 Ventures at the time it acquired the intellectual

1 property?

2 A. Very minimal.

3 Q. How would you define "very minimal"?

4 A. My daughter was dying of an inoperable brain
5 tumor; so I was not actively involved.

6 Q. Were you recognized by Hunts Point Ventures
7 in any way at that time it acquired the intellectual
8 property, as a shareholder --

9 A. No.

10 Q. -- director or officer --

11 A. No.

12 Q. -- employee?

13 A. No.

14 Q. And when did -- you mentioned your daughter
15 having a brain disease?

16 A. A brain tumor, yes.

17 Q. When did that begin?

18 A. She was diagnosed the day after Thanksgiving
19 in 2010.

20 Q. Okay. Did you ever have the understanding
21 that Mark Phillips was to be a shareholder in Hunts
22 Point Ventures?

23 A. Not that I recall. I don't recall.

24 Q. Do you recall seeing any documents prepared
25 by the law firm of Cairncross & Hempelmann to amend the

1 Articles of Incorporation of Hunts Point Ventures?

2 A. I don't recall.

3 MR. WEYTHMAN: Want some coffee?

4 THE WITNESS: Yeah, I'll take some
5 coffee. Thank you.

6 (Discussion held off the record.)

7 MR. WEYTHMAN: Actually, you know, since
8 you're sorting for documents, would this be a good time
9 to take a short break?

10 MR. YURCHAK: That's fine.

11 MR. WEYTHMAN: Thanks.

12 (Break taken from 10:15 to 10:20 a.m.)

13 MR. YURCHAK: We're back.

14 If you could repeat my last question for me
15 so I can refresh in terms of where we left off.

16 (The record was read.)

17 Q. (BY MR. YURCHAK) Do you recall if you were
18 involved in any way with the discussions in -- in the
19 amendment of Hunts Point Ventures' Articles of
20 Incorporation?

21 A. I don't know what documents you're speaking
22 of as far as the amendment with Cairncross. I don't --
23 the Articles -- the amended Articles of Incorporation.

24 Q. I think I was asking do you recall being
25 involved in any of the discussions?

1 A. No, I don't recall being involved in any of
2 those discussions.

3 Q. Do you recall if you were to be a part of the
4 amended documents --

5 MR. WEYTHMAN: Objection. Assumes facts
6 not in the record.

7 Q. (BY MR. YURCHAK) -- of -- of Hunts Point
8 Ventures?

9 A. I don't -- I don't recall.

10 MR. YURCHAK: Shoot. If I could have
11 you mark that as Exhibit 3.

12 (Exhibit No. 3 marked for
13 identification.)

14 MR. YURCHAK: Here's a copy.

15 Q. (BY MR. YURCHAK) Have you ever seen this
16 document that I've handed to you?

17 A. I don't recall seeing this document.

18 Q. Do you see in the first paragraph of that
19 document -- first of all, let's identify it. What is
20 that document identified as?

21 A. "Limited Liability Company Agreement of Hunts
22 Point Intellectual Properties, LLC."

23 Q. Okay. And do you see that your -- in the
24 first paragraph, that your name is included?

25 A. Yes.

1 Q. How did it come about that your name was
2 included there to be a part of that entity?

3 MR. WEYTHMAN: Objection. Assumes
4 personal knowledge.

5 THE WITNESS: I don't recall. I don't
6 recall the LLC, this right here.

7 Q. (BY MR. YURCHAK) Do you have any idea why
8 your name would be included there?

9 MR. WEYTHMAN: Objection. Calls for
10 speculation. Also, objection to foundation. Counsel
11 still hasn't established what the document is, where it
12 came from, or any identifying characteristics of the
13 document.

14 MR. YURCHAK: Was there a question
15 pending, and what was it?

16 THE COURT REPORTER: Yes.

17 (The record was read as follows:

18 "QUESTION: Do you have any idea why your
19 name would be included there?")

20 THE WITNESS: I don't recall.

21 Q. (BY MR. YURCHAK) I'll put forward another
22 document to be marked Exhibit 4, a copy to you and your
23 attorney.

24 (Exhibit No. 4 marked for
25 identification.)

1 THE WITNESS: Thank you.

2 Q. (BY MR. YURCHAK) Could you identify the
3 caption of that document.

4 A. "Hunts Point Ventures, Inc. Joint Consent in
5 Lieu of Special Meeting of Board of Directors and
6 Shareholders."

7 Q. Upon your review of that document, do you
8 recognize it?

9 A. I do not recognize this document in its
10 entirety.

11 Q. Do you recognize it in any other way?

12 A. I recognize a -- I have seen a document that
13 resembles this but was one page and not -- didn't have
14 these other pages, pages 2, 3, 4, 5, and 6.

15 Q. And when do you recall seeing this document
16 that was the one page?

17 A. I think the first time I saw the document was
18 in 2012 when Steve Schweickert turned over a box of
19 documents to me.

20 Q. Is it possible that the document you saw then
21 was different than the document you have before you?

22 A. The document that I saw then was different
23 than the one that I have before me here.

24 Q. If I could have you turn to the second
25 page --

1 A. Uh-huh.

2 Q. -- do you see your name on that second page?

3 A. Yes.

4 Q. Do you have any idea what the purpose of that
5 document was?

6 A. I have never seen this page or this document.

7 Q. Do you have any idea why your name is on that
8 document?

9 A. No. I've never seen this -- this document
10 before. I don't know the origins of this document, and
11 I question the origins of this document.

12 Q. I'm sorry. You what?

13 A. I question the origins of this document.

14 Q. And what do you mean by that?

15 A. Anybody can make documents, and this is -- I
16 have never seen this document before. I don't recall
17 seeing this document before, no.

18 Q. And what do you mean by "Anyone can create
19 documents"?

20 A. All it takes is a computer and a printer.

21 MR. YURCHAK: Okay. Handing forward the
22 next document to be marked as Exhibit 5 --

23 (Exhibit No. 5 marked for
24 identification.)

25 Q. (BY MR. YURCHAK) Do you recognize the

1 document that's been handed to you, marked as Exhibit 5?

2 A. I don't recognize this document.

3 Q. And what is that document captioned as?

4 A. "Intellectual Property Contribution
5 Agreement."

6 Q. Do you have any understanding of what that
7 document represents?

8 A. No. I've never -- I don't recall ever seeing
9 this document.

10 Q. And do you see your name there on that
11 document?

12 A. Yes. I see it here on page 3.

13 Q. And how are you identified?

14 A. "Chad Rudkin, its Manager."

15 Q. Okay. Do you have any recollection of any
16 discussion about you being a manager with respect to --

17 A. Hunts Point Intellectual Properties, LLC?
18 No.

19 Q. -- Hunts Point?

20 A. No.

21 Q. And have you ever heard of Hunts Point
22 Intellectual Properties?

23 A. Yes.

24 Q. What was your understanding of what -- if I
25 can abbreviate it to "HPIP," of what HPIP was?

1 A. The first time I recall seeing anything about
2 HPIP was in the litigation that was initiated against me
3 and my wife by Mark Phillips.

4 Q. So prior -- and when was that, do you recall,
5 the litigation commenced?

6 A. 2013.

7 Q. So prior to 2013, you had never -- is it fair
8 to say you'd never heard of HPIP?

9 A. I don't recall hearing of HPIP.

10 MR. YURCHAK: Okay. I'm handing forward
11 the next document.

12 (Exhibit No. 6 marked for
13 identification.)

14 THE WITNESS: Thank you.

15 Q. (BY MR. YURCHAK) What is the caption of that
16 document?

17 A. "Stock Subscription Agreement."

18 Q. And --

19 MR. WEYTHMAN: Excuse me, Counsel. Do
20 you have our copy?

21 Thank you.

22 Q. (BY MR. YURCHAK) In the first paragraph
23 there, what is your understanding of what that
24 document -- of what purpose that document would effect?

25 MR. WEYTHMAN: Objection. Calls for

1 speculation. Lacks foundation.

2 Q. (BY MR. YURCHAK) Based upon your reading of
3 the first paragraph.

4 A. "This Stock Subscription Agreement...dated as
5 of May," blank, "2010 (the 'Effective Date'),
6 is by and between Hunts Point Ventures, Inc.,
7 a Washington corporation (the 'Company'), and
8 Chad Rudkin ('Founder')."

9 Q. Do you have any recollection of seeing this
10 document previously?

11 A. No, I do not.

12 Q. You did testify earlier that part of the plan
13 of Hunts Point Ventures was that you would become a
14 shareholder; is that correct?

15 A. Yes.

16 Q. Were you -- do you recall, in those
17 conversations, how you were to become a shareholder, how
18 you were to acquire shares?

19 A. Steve Schweickert said that, at some point in
20 the future, when all the litigation was settled out,
21 that I would become a shareholder in the company.

22 Q. Okay. Was that -- when do you recall him
23 saying that?

24 A. In 2010.

25 Q. Do you recall if that was in a conversation

1 that you had?

2 A. I believe so. I don't recall specifically.

3 Q. Was that in an email that he may have said
4 that?

5 A. I don't recall.

6 MR. WEYTHMAN: Objection. Leading.

7 Q. (BY MR. YURCHAK) And what was your
8 understanding of how you were to become a shareholder?

9 MR. WEYTHMAN: Objection. Asked and
10 answered.

11 Q. (BY MR. YURCHAK) Did you have any
12 understanding about how you were to become a
13 shareholder?

14 A. It was a promise that I would become a
15 shareholder once the mess was cleaned up.

16 Q. Did he offer -- was he offering to sell you
17 shares?

18 A. I don't recall the exact consideration.

19 Q. Was he offering to gift you shares?

20 A. I don't recall.

21 Q. Do you recall any conversations about
22 changing the Hunts Point Ventures entity to include you
23 as a shareholder in May or June of 2010?

24 A. I don't recall.

25 Q. Is it possible that there were such

1 conversations?

2 A. I don't know.

3 Q. Were you ever asked to be a manager of the
4 reformed Hunts Point Ventures entity --

5 MR. WEYTHMAN: Objection. Vague.

6 Q. (BY MR. YURCHAK) -- as reflected in these
7 documents that I've showed you?

8 A. I don't understand what you're asking.

9 Q. Were you ever asked to be a member and play a
10 role in the reformed Hunts Point Ventures entity?

11 A. Can you clarify "reformed."

12 Q. Reformed as in amending its Articles to
13 include additional members other than Steve and Joyce.

14 A. I don't recall.

15 Q. Would it help refresh your memory to see a
16 document from that time?

17 A. Sure.

18 MR. YURCHAK: Could I have that marked
19 as the next exhibit in line.

20 THE COURT REPORTER: It's Exhibit 7.

21 (Exhibit No. 7 marked for
22 identification.)

23 THE WITNESS: Thank you.

24 THE COURT REPORTER: You're welcome.

25 Q. (BY MR. YURCHAK) What does this document

1 appear to be?

2 A. I don't know. I'm looking -- I'm reading
3 through it.

4 Q. I'll give you a minute.

5 A. Thank you.

6 So what -- what was your question?

7 Q. What does this document appear to be to you?

8 A. An email from Steve Schweickert to Mark's
9 real estate agent, Mary Orvis.

10 Q. And do you see your email address there in
11 the "To" line?

12 A. Yes. In the "CC" line, yes.

13 Q. In the "CC" line.

14 Is that your email address?

15 A. Yes.

16 Q. And at that -- when do you see this email
17 having been sent?

18 A. I'm sorry?

19 Q. When do you see that this email was sent?

20 A. May 20th, 2010.

21 Q. And were you actively receiving and reviewing
22 emails at that email address at that time?

23 A. Yes.

24 Q. Do you have any recollection of receiving
25 this email?

1 A. No.

2 Q. Do you see that this email is requesting
3 you -- first of all, do you see this email discusses the
4 formation of an entity where the intellectual property
5 will be held?

6 MR. WEYTHMAN: Objection. Leading.

7 THE WITNESS: What I see here is one of
8 what I alluded to earlier and told you about, the
9 evolving nature of Hunts Point Ventures.

10 Q. (BY MR. YURCHAK) Okay. Rather than allude,
11 could you explain in better detail what you see the
12 evolving nature of Hunts Point Ventures to be.

13 A. I don't fully understand. That's what it
14 started out as and what it went through. None of this
15 stuff was ever executed or done or -- and that was --
16 there was different iterations that was supposed to
17 happen, and I don't recall any of this. This -- things
18 got started and stopped and redirected. You'd have to
19 ask Steve Schweickert about that. He knows more about
20 this than I do.

21 Q. How do you know that things weren't done, if,
22 for the most part --

23 A. Do you see any signatures on documents?

24 Q. We'll get to that.

25 For the most part, you've responded that you

1 don't recall what was occurring at this time; is that
2 correct?

3 A. That's correct. I don't recall this.

4 Did this happen for longer than one day?

5 Q. What does that mean? I'm not sure what your
6 question is.

7 A. I don't know. I'm asking you about the
8 documents. I don't recall this.

9 Q. I'm not sure what you mean by "happened
10 longer than one day," but we'll leave that.

11 So you have no specific recollection about
12 this email --

13 A. No.

14 Q. -- is that correct?

15 A. That's correct. I have no specific
16 recollection about this email.

17 Q. Did you save emails -- have you saved emails
18 from this time period?

19 A. Can you clarify. Did I save --

20 Q. Have you saved emails from this time period
21 regarding the Hunts -- the discussions in Hunts Point
22 Ventures?

23 A. I didn't purposefully save them. They should
24 be out there in the Ethernet someplace.

25 Q. I may have misheard. Did you say you did not

1 purposefully save them?

2 A. They're in my inbox, I'm sure.

3 Q. So you -- do you recall deleting emails
4 regarding issues with Hunts Point Ventures?

5 A. No.

6 Q. Now, this email we were talking about refers
7 to establishing a limited liability company; is that
8 correct?

9 A. That's what it appears to me, yes.

10 MR. YURCHAK: If I could make sure, do
11 you have the other copy there? Did I already hand that
12 forward? Actually, I think I handed it forward.

13 I'll hand this document forward.

14 (Exhibit No. 8 marked for
15 identification.)

16 THE COURT REPORTER: That's Exhibit 8.

17 THE WITNESS: Okay. Thank you.

18 Q. (BY MR. YURCHAK) Do you recognize the
19 document marked Exhibit 8?

20 Did I not give you a copy?

21 MR. WEYTHMAN: No.

22 THE WITNESS: If you'd give me a moment,
23 I'll -- I don't recognize this document.

24 Q. (BY MR. YURCHAK) How is that document
25 captioned?

1 A. "Technology License Agreement."

2 Q. What does it appear that document purports to
3 do, based on what's written there in the first
4 paragraph?

5 A. "This Technology License Agreement...is
6 entered into as of May," blank, "2010...by
7 and among [Hunts Point Intellectual
8 Properties], LLC...and Hunts Point Ventures,
9 Inc."

10 Q. Okay. And we had just discussed Exhibit 7,
11 which was an email about establishing an LLC.

12 A. Uh-huh.

13 Q. If you look at the last page of that
14 Exhibit 7 --

15 A. Okay.

16 Q. -- do you see that -- what do you see there?

17 A. I see three attachments.

18 Q. And what does that imply to you?

19 A. That there's documents attached to the email.

20 Q. And you said that you have not deleted any
21 emails that you received from that time regarding Hunts
22 Point Ventures; is that correct?

23 MR. WEYTHMAN: Objection.

24 Mischaracterizes the witness's testimony.

25 Q. (BY MR. YURCHAK) I believe that's what you

1 stated, is it not?

2 A. Yeah. I don't believe I deleted any emails.

3 Q. Is it safe to assume that you received this
4 email and that you've retained it?

5 A. I'm not sure. I don't know.

6 Q. Would you have --

7 A. I have to see --

8 Q. Would it have been in your common practice to
9 read emails that you receive, to open attachments that
10 are included in any documents?

11 A. Generally speaking, yes. Sometimes, no.
12 Depends on how many emails were flying around.

13 Q. Now, as far as you were aware -- you
14 testified that the plan was to make you a shareholder of
15 Hunts Point Ventures after the litigation mess was
16 cleared up; is that correct?

17 A. That was my understanding, yes.

18 (Exhibit No. 9 marked for
19 identification.)

20 THE COURT REPORTER: Exhibit 9.

21 THE WITNESS: Thank you.

22 Q. (BY MR. YURCHAK) A document has been handed
23 to you, marked as Exhibit 9. What do you recognize this
24 document to be?

25 A. An email.

1 Q. And looking at where it reads from "Forwarded
2 message," who does it appear this email is from?

3 A. Steve Schweickert -- or the forwarded email,
4 it's from --

5 Q. Correct.

6 A. The forwarded? From Doug Lower.

7 Q. Right. And do you recognize Steve's email
8 address?

9 A. Yes.

10 Q. And do you recognize your address appearing
11 on the "To" line -- or appearing on the informed copy
12 line?

13 A. Yes.

14 Q. And that is your email address?

15 A. Yes.

16 Q. And in the highlighted section, what do you
17 see there?

18 MR. WEYTHMAN: Objection. Ambiguous.
19 There's multiple highlighted sections.

20 THE WITNESS: Are you asking about right
21 here on the --

22 Q. (BY MR. YURCHAK) Yes.

23 A. It says "HPV- Mark and Chad subscribed for
24 9200 shares," or "sh," "each."

25 Q. And what do you understand that to mean?

1 MR. WEYTHMAN: Objection. Calls for
2 speculation.

3 THE WITNESS: That Steve wanted to issue
4 or subscribe Mark and I shares in the company.

5 Q. (BY MR. YURCHAK) If I understood your
6 statement, you said that -- it sounds as if that was an
7 expression of desire? It was not something that had
8 happened already; is that correct?

9 A. That's what I assume was -- to the best of my
10 knowledge, yes.

11 Q. And why do you interpret his statement in
12 that way?

13 A. Because at the time -- for -- for well over a
14 year, Steve wanted to keep everything just within
15 himself. He didn't want to, I guess -- how do you say
16 it? -- memorialize or make things official.

17 Q. And what was your understanding about why he
18 wanted to not make things official?

19 A. Because he --

20 MR. WEYTHMAN: Objection. Calls for
21 speculation.

22 THE WITNESS: You'd have to ask him.

23 Q. (BY MR. YURCHAK) You never had any
24 conversations with Steve about why he was not allowing
25 any other people to become shareholders in Hunts Point

1 Ventures?

2 A. I believe we did, and to the best of my
3 recollection, it was because he wanted to keep it safe.

4 Q. And what did you understand "keeping it safe"
5 to mean?

6 A. From litigation that was ongoing. He didn't
7 want to open any avenues into the company.

8 Q. Did you have any discussions about why
9 including additional shareholders may not keep it safe?

10 A. I don't recall specifically.

11 Q. Did you have any discussions about why you,
12 in particular, could not be a shareholder in the context
13 of being unable to keep Hunts Point Ventures safe?

14 A. I don't recall specifically.

15 Q. Did you have any conversations with Steve
16 about including Mark Phillips as a shareholder in the
17 context of not being able to keep Hunts Point Ventures
18 safe?

19 A. I don't recall any specific conversations,
20 but I think it's pretty obvious. Do you --

21 Q. How is it obvious?

22 A. He was under federal indictment and was being
23 sued by Robert Arnold and his former company, MOD
24 Systems, and God knows who else.

25 Q. Was that your understanding, that Mark was

1 being sued by MOD?

2 A. There was -- yeah. There was litigation
3 going on between Mark Phillips and MOD, and I believe
4 they were -- I believe they were both suing each other
5 back and forth.

6 Q. Okay. So was that your understanding about
7 why Steve was keeping everything on hold, because of the
8 fear --

9 MR. WEYTHMAN: Objection. Vague.

10 On hold?

11 Q. (BY MR. YURCHAK) -- of liability associated
12 with Mark Phillips' litigation?

13 A. Can you restate that for me, just to clarify.
14 I'm sorry.

15 Q. Is that your general understanding about why
16 Steve was keeping Hunts Point Ventures -- and I forgot
17 the term you used -- I think, closed --

18 A. Uh-huh.

19 Q. -- was due to Mark -- you know, litigation
20 surrounding Mark Phillips?

21 A. That's the best of my understanding, yes.

22 Q. Did you ever have any conversations about
23 that with John Du Wors?

24 A. I don't recall.

25 Q. Did you have any conversations with John

1 Du Wors about HPV and your role in May or June of 2010?

2 A. I don't recall.

3 Q. So your understanding, again, with respect to
4 the statement here that "Mark and Chad subscribed for
5 9200 shares each," was that -- this was something
6 prospective, was something to happen in the future?

7 A. Reading here to understand it, yeah, it was
8 something that was to happen eventually.

9 Q. So your testimony is that you did not
10 subscribe to 9,200 shares at -- at the time this email
11 was written?

12 A. I don't recall.

13 Q. Do you have any corporate documents to
14 reflect when you obtained your shares?

15 A. Yes.

16 Q. Would those reflect that this occurred in May
17 2010?

18 A. I don't believe so. I don't recall. I'd
19 have to look at them.

20 Q. Why do you think Steve would say -- would use
21 the past tense, not that Mark -- Steve does not write
22 that "Mark and Chad will subscribe," does he?

23 MR. WEYTHMAN: Objection. Calls for
24 speculation.

25 THE WITNESS: Maybe that's his style of

1 writing.

2 MR. WEYTHMAN: Could you speak up for
3 the record, please.

4 MR. YURCHAK: I'm speaking with my
5 client.

6 MR. ARD: Are you asking for the Stock
7 Subscription Agreements?

8 MR. YURCHAK: Could I have that marked
9 as the next exhibit.

10 (Exhibit No. 10 marked for
11 identification.)

12 THE COURT REPORTER: Exhibit 10.

13 THE WITNESS: Thank you.

14 Q. (BY MR. YURCHAK) Do you recognize the
15 document that has been handed to you as Exhibit 10?

16 A. No.

17 Q. Do you recognize what this document purports
18 to be?

19 MR. WEYTHMAN: Objection. Vague.

20 THE WITNESS: The document says it's a
21 Stock Subscription Agreement.

22 Q. (BY MR. YURCHAK) And what do you understand
23 that to mean?

24 MR. WEYTHMAN: Objection. Calls for lay
25 opinion.

1 Q. (BY MR. YURCHAK) What do you understand a
2 Stock Subscription Agreement to be?

3 A. Someone is issued stock.

4 Q. Okay. And do you see that this is an
5 agreement, issuing stock between Hunts Point Ventures
6 and Mark Phillips?

7 A. I see that that's what this document purports
8 to be.

9 Q. And do you see on the last page of that
10 document, page 4 --

11 A. Yes. What about page 4?

12 Q. Do you see that it's been signed?

13 A. It has signatures on it, yes.

14 Q. Are you familiar with the signatures of Steve
15 Schweickert?

16 A. Yes.

17 Q. Are you familiar with the signature of Mark
18 Phillips?

19 A. Yes.

20 Q. Does the signature of Steve Schweickert on
21 this document appear to be his authentic signature?

22 MR. WEYTHMAN: Objection. Calls for lay
23 opinion, legal conclusion.

24 THE WITNESS: I don't know when these
25 documents were produced or signed.

1 Q. (BY MR. YURCHAK) I'm not asking you when
2 they were produced or signed. I'm asking you do you
3 recognize that signature on that last page as being from
4 Steve Schweickert?

5 A. I don't recognize this as being a valid
6 document.

7 Q. We can get to that, but I'm first asking do
8 you recognize Steve's -- does that signature on the last
9 page appear to be --

10 A. It appears to be one of a variation of Steve
11 Schweickert's signatures.

12 Q. And I think you said you were familiar with
13 Mark Phillips' signature as well; is that right?

14 A. Yes.

15 Q. And same question with his signature.

16 MR. WEYTHMAN: What question?

17 THE WITNESS: Is that --

18 Q. (BY MR. YURCHAK) Do you recognize that to be
19 Mark Phillips' signature?

20 A. Yes.

21 Q. Okay. Now, you said you don't recognize this
22 as a valid document?

23 A. I don't -- I don't recall ever seeing this
24 document.

25 Q. Okay. But I believe you also said you don't

1 recognize it as a valid document; is that right?

2 A. Well, it has been my experience that Mark
3 Phillips has generated documents at his convenience at
4 different times.

5 Q. And what does that mean? What kind of
6 documents has Mark Phillips generated?

7 A. Various things to make things go the way he
8 wants them to go.

9 Q. Can you give me any example?

10 A. This would probably be one of them. I've
11 never seen this document before.

12 Q. Can you give me an example of -- any other
13 example?

14 A. I don't have it with me, but yes.

15 Q. And what is it that you don't have with you?

16 A. Documents that have been altered.

17 Q. Okay. What documents?

18 A. I'm trying to recall. It was a list of
19 assets that was altered from the original and submitted,
20 I believe under your name, in some court pleadings and
21 proceedings.

22 Q. A list of assets?

23 A. It was a list of -- I don't recall exactly
24 what the document was. I have it someplace, or the
25 attorneys have it.

1 Q. Are you able to be more specific?

2 A. No. I told you I don't recall exactly what
3 the document was.

4 Q. Are you able to be more specific in how -- I
5 believe you said it was altered?

6 A. Because I remember comparing it to an
7 original, and it was definitely altered.

8 I think the receiver actually has those
9 documents.

10 Q. So you don't remember what the document was;
11 is that correct?

12 A. I don't remember exactly what the document
13 was, no.

14 Q. And you don't remember how it was altered?

15 A. It had handwritten direction added to it.

16 Q. What did that concern?

17 A. Actually, it concerned the same kind of
18 thing, purchasing or the subscription agreement of
19 shares.

20 Q. Okay. And are you familiar with the fact
21 that Steve Schweickert gave a declaration under penalty
22 of perjury wherein he stated that Mark was issued shares
23 in the Hunts Point Ventures entity?

24 MR. WEYTHMAN: Objection. Assumes a
25 fact not in this record.

1 THE WITNESS: I am aware of a
2 declaration that Steve Schweickert signed and submitted
3 under the -- under perjury, which was later revealed was
4 in fact written by your client, Mark Phillips, and
5 admitted to.

6 Q. (BY MR. YURCHAK) So you're aware of his
7 declaration?

8 A. That was written by Mark Phillips.

9 Q. And you're aware in that declaration that
10 Steve said that Mark Phillips subscribed to shares in
11 Hunts Point Ventures; is that correct?

12 A. I don't recall specifically that portion of
13 it. I recall that that document stated many things.

14 Q. If I were to tell you that that's what the
15 document said, how do you respond to Steve's statement
16 that Mark Phillips subscribed to shares in Hunts Point
17 Ventures?

18 MR. WEYTHMAN: Objection. Calls for
19 speculation.

20 THE WITNESS: I don't know.

21 Q. (BY MR. YURCHAK) Do you have an official
22 opinion of whether or not that document there is
23 authentic or not?

24 A. I'm not --

25 MR. WEYTHMAN: Objection. Calls for

1 speculation. Calls for a legal conclusion.

2 THE WITNESS: I'm not an expert but --

3 Q. (BY MR. YURCHAK) I'm not asking you to give
4 an expert opinion. It's simply a document; right?

5 A. You're asking me if I think this is real or
6 fabricated?

7 Q. Correct.

8 A. My personal belief is this is fabricated.

9 Q. And what's that belief based upon?

10 A. The past actions and history of Mark
11 Phillips.

12 Q. If your belief is that that document is
13 fabricated --

14 A. Uh-huh.

15 Q. -- what would your opinion be of Steve
16 Schweickert's statement that Mark subscribed to shares?

17 A. Could you restate that for me.

18 Q. If your belief is that this document is
19 fabricated, what is your opinion of Steve Schweickert's
20 statement that Mark Phillips subscribed to shares in
21 Hunts Point Ventures?

22 MR. WEYTHMAN: Objection. Asked and
23 answered.

24 THE WITNESS: Again --

25 MR. YURCHAK: He didn't answer.

1 THE WITNESS: You're asking me my
2 opinion of Steve's declaration?

3 Q. (BY MR. YURCHAK) No.

4 A. My opinion -- is that what you're asking me?

5 Q. No. His opinion of -- what is your opinion
6 of his statement that Mark Phillips subscribed to
7 shares, given that you think the Stock Subscription
8 Agreement is fraudulent?

9 A. My opinion of Steve Schweickert's declaration
10 is that it was written by Mark Phillips.

11 Q. Am I to take it, then, that you have no
12 specific opinion about Steve's statement that Mark
13 Phillips subscribed to shares in Hunts Point Ventures?

14 A. That's correct. Because I don't believe that
15 was Steve's statement that was written there. I think
16 that was Mark Phillips' statement that was written in
17 that declaration.

18 Q. You do recall seeing that document? That
19 declaration, I should say.

20 A. Yes.

21 Q. And did you notice if it was signed or not?

22 A. I don't recall.

23 Q. If I told you it was signed by Steve
24 Schweickert, what is your opinion about whether those
25 are his representations or Mark Phillips'

1 representations?

2 A. It is my belief that they are Mark Phillips'
3 representations that he asked Steve Schweickert to sign.

4 Q. Are you saying that Steve Schweickert would
5 have a different representation about what --

6 A. You'd have to ask him.

7 Q. And is that your opinion?

8 MR. WEYTHMAN: Objection. Calls for
9 speculation.

10 THE WITNESS: I can't speak for Steve.

11 Q. (BY MR. YURCHAK) But your opinion -- is your
12 opinion that the information contained in his
13 declaration does not accurately reflect Steve's personal
14 knowledge of the events described therein?

15 MR. WEYTHMAN: Objection. The witness
16 has no personal knowledge. Still calls for speculation.
17 Asked and answered.

18 THE WITNESS: You'd have to ask Steve.

19 Q. (BY MR. YURCHAK) Do you have any specific
20 recollection of any conversation with any person
21 regarding Mark Phillips subscribing to shares in Hunts
22 Point Ventures during this time frame of May and June of
23 2010?

24 A. I don't recall.

25 Q. Do you have any specific recollection of any

1 conversation that Mark's intellectual property should
2 remain under his ownership?

3 A. I don't recall specifically.

4 Q. Did you have any conversation with Mark
5 Phillips that you promised to protect his interests?

6 A. I don't recall.

7 Q. Did you ever promise to protect Mark
8 Phillips' interest in his intellectual property?

9 A. I don't recall.

10 Q. Did you ever have any discussion with any
11 person that Mr. Phillips' intellectual property should
12 not belong to him?

13 A. Can you state that again, please.

14 Q. Did you ever have any discussions with any
15 persons that Mark Phillips' intellectual property should
16 not belong to him?

17 A. I don't recall.

18 Q. Are you familiar with a Memorandum of
19 Understanding agreement that was prepared --

20 MR. WEYTHMAN: Objection. Vague.
21 Ambiguous.

22 Q. (BY MR. YURCHAK) -- in early 2010?

23 A. You'd have to -- I'd have to see the
24 document. There were multiple memorandums and
25 documents, as you can see by your own exhibits moving

1 around. So I --

2 Q. How many different memorandums do you recall?

3 A. I don't -- I don't recall. More than one.

4 Q. But you recall there being more than one?

5 A. Yes.

6 (Exhibit No. 11 marked for
7 identification.)

8 THE COURT REPORTER: Exhibit 11.

9 THE WITNESS: Thank you.

10 MR. WEYTHMAN: Counsel, do you have
11 another copy?

12 Thank you.

13 Q. (BY MR. YURCHAK) Do you have any
14 recollection of the document marked as Exhibit 11 that's
15 been -- now before you?

16 A. Yes.

17 Q. What is your recollection?

18 A. That this was supposed to serve as an initial
19 road map for Hunts Point Ventures, Inc.

20 Q. And what do you recall that road map to be?

21 A. To move to form a company in order to
22 litigate intellectual property. I think we've answered
23 that question already.

24 Q. And what do you recall your role to be as it
25 was defined in this Memorandum of Understanding?

1 MR. WEYTHMAN: Objection. Vague.

2 Ambiguous.

3 THE WITNESS: To be a shareholder, to
4 undertake different tasks as the company moved forward
5 and began operations.

6 Q. (BY MR. YURCHAK) What did you understand
7 your tasks to be?

8 A. We never got started; so tasks were never --
9 I mean, there was a general ideas of what people would
10 do, but there was never anything really -- it was very
11 discombobulated and confusing and kind of like -- it's a
12 plan. This is kind of like a plan when you go into
13 battle and no one survives the first shot fired.

14 This is, you know -- this was a plan to move
15 forward, but when you're basing your plans moving
16 forward on somebody who's not telling you the whole
17 truth and you're finding out later that things aren't
18 quite as they are represented, plans have to change in
19 order to try to salvage what's left.

20 Q. Do you recall any discussions that you had
21 with any other person regarding the preparation of this
22 Memorandum of Understanding?

23 A. I don't recall.

24 Q. Do you recall meeting with any
25 attorney/law firm in the preparation of this Memorandum

1 of Understanding?

2 A. I don't recall, no.

3 Q. And I believe you said it's hard to follow a
4 plan when there are -- when people don't -- make
5 misrepresentations to you? Is that what you said?

6 A. Basically, yes, when people don't represent
7 exactly what --

8 Q. Right.

9 A. -- they're going to do. And there was
10 multiple people that did that; so --

11 Q. So let's talk about that. Which people did
12 not represent accurately what they were going to do?

13 A. It's not necessarily what they were going to
14 do but accurately represent -- Mark Phillips, for
15 example, really understated the nefariousness of this
16 behavior and the litigation that was pending and the
17 possibility of federal criminal charges.

18 Q. Understated?

19 A. Just --

20 Q. What do you mean by that?

21 A. Just he was -- he had done nothing wrong and
22 was part of a large conspiracy to get him out of a
23 company, which has been proving to be not true.

24 Q. And how has that been proven to be not true?

25 A. He was convicted on several federal counts.

1 I don't remember exactly which ones they were, but I
2 believe they involved money laundering, wire fraud. I
3 don't think bank fraud was in there.

4 Q. How could Mark -- and when did that
5 conviction happen?

6 A. I don't recall exactly.

7 Q. Would it sound wrong were I to say it
8 happened -- that the trial was in January/February of
9 2011?

10 MR. WEYTHMAN: Objection. Calls for
11 speculation.

12 THE WITNESS: It was -- I believe it was
13 in that time frame. I don't recall exactly.

14 MR. YURCHAK: Okay. Could we take a
15 break?

16 THE WITNESS: Sure.

17 MR. WEYTHMAN: Sure.

18 (Break taken from 11:11 to 11:18 a.m.)

19 Q. (BY MR. YURCHAK) At any point in time did
20 you agree to act as Mr. Phillips' attorney-in-fact under
21 a Power of Attorney?

22 A. Yes.

23 MR. YURCHAK: I guess, if you could pull
24 that out.

25 Q. (BY MR. YURCHAK) And when did that -- when

1 did you agree -- well, did you agree to serve as his
2 Power of Attorney?

3 MR. WEYTHMAN: Asked and answered.

4 THE WITNESS: Yes.

5 Q. (BY MR. YURCHAK) So that was your choice?

6 A. Yes.

7 Q. And when did that -- so when was that
8 Power of Attorney executed?

9 A. I don't recall.

10 MR. YURCHAK: I'm handing forward the
11 next document to be marked.

12 (Exhibit No. 12 marked for
13 identification.)

14 THE COURT REPORTER: Exhibit 12.

15 THE WITNESS: Thank you.

16 Q. (BY MR. YURCHAK) Do you recognize this
17 document, marked as Exhibit 12?

18 A. I don't recognize this specific document.

19 Q. And why is that?

20 A. It doesn't have my signature on it, and I've
21 just -- I've never seen a document printed like -- I
22 don't recognize this document, no.

23 Q. Do you believe that you've retained a copy of
24 the Power of Attorney that was --

25 A. Yes.

1 Q. -- executed by Mark to you?

2 A. Yes.

3 Q. Do you believe you still have that document
4 in your possession?

5 A. I believe my attorneys have it.

6 Q. And to the best of your recollection, does
7 this document reflect an accurate representation of the
8 document in possession of your attorneys?

9 A. I don't know. I'd have to sit down and
10 compare them.

11 Q. Okay. And I believe I asked if you recalled
12 when that Power of Attorney was executed. Do you see a
13 date there on the -- page 7?

14 A. Yes. It says "June 7, 2010."

15 Q. Does -- would that seem to comport with your
16 recollection about when this document was executed?

17 A. If I recall, the Power of Attorney that I
18 executed was done at the federal courthouse; so --

19 Q. Under -- what were the circumstances there at
20 the federal courthouse?

21 A. It was for Mark's bond hearing, I believe.
22 So it was for a hearing of some sort there. I think --
23 I believe it was his bond hearing. I don't recall
24 exactly.

25 Q. Are you saying that you executed a

1 Power of Attorney at a bond hearing -- I should say --
2 that Mark executed a Power of Attorney to you at a bond
3 hearing?

4 A. I believe it was a bond hearing. I'm not
5 positive that's what it was, but it was at a courthouse
6 there. I don't recall exactly.

7 Q. Wasn't -- okay. And what's your recollection
8 about the circumstances under which it was executed?

9 MR. WEYTHMAN: Objection. Ambiguous.
10 Vague.

11 THE WITNESS: Can you clarify that for
12 me a little bit. What do you mean --

13 Q. (BY MR. YURCHAK) Well, I don't want to be
14 leading, but is this a document produced by the Court?
15 Was it produced by Mark? Was it produced by you? What
16 were the circumstances under which it was executed?

17 A. I remember a notary reading -- bringing it to
18 the court. And there was several people, I believe,
19 that had Powers of Attorney issued to them by Mark at
20 that point in time, because he was being incarcerated,
21 and he needed people to be able to try to handle things
22 for him at the time. So I don't -- I mean --

23 Q. Did you read the document at the time you --
24 you obtained it?

25 A. I believe I scanned through it. I don't

1 recall. You know, there was a lot of things going on.

2 Q. What was your understanding about what your
3 duties were under the Power of Attorney?

4 A. That if Mark needed something done, at his
5 direction, I would now be able to do that. If he needed
6 help with something, if he needed something done on his
7 behalf, that, at his direction, I would use the
8 Power of Attorney to do that.

9 Q. What was your understanding of your legal
10 duties under the Power of Attorney?

11 MR. WEYTHMAN: Objection. Calls for a
12 legal conclusion.

13 THE WITNESS: I don't recall. I'm not a
14 lawyer.

15 Q. (BY MR. YURCHAK) Did you ever speak with
16 anybody, including a lawyer, about the relationships --
17 the relationship between the agent and the principal of
18 the Power of Attorney?

19 A. I don't recall.

20 Q. Did you ever speak with anybody, including an
21 attorney, about the concept of what a fiduciary duty
22 meant under a Power of Attorney?

23 A. I don't recall.

24 Q. What is your understanding of what a
25 fiduciary duty means --

1 MR. WEYTHMAN: Objection. Calls for a
2 legal conclusion.

3 Q. BY MR. YURCHAK: -- under a
4 Power of Attorney?

5 A. My understanding of a Power of Attorney was
6 so that I could do things at Mark's request while he was
7 locked up in a Federal Detention Center.

8 Q. Okay.

9 A. While he was -- while he was unable to do
10 things, he could call and ask me to do something, and a
11 lot of things require, obviously, Mark's signature and
12 that this piece of paper -- well, not necessarily this
13 piece of paper, but a Power of Attorney would enable me,
14 at Mark's direction, to do things for him.

15 Q. And did you have an understanding of -- of
16 how you were to perform your duties, under what sort of
17 standard?

18 A. Can you clarify that for me.

19 Q. Do you have any understanding about how you
20 were to perform your duties according to a standard of
21 care?

22 A. I would do things that Mark asked me as long
23 as they were legal and I -- yeah. If he asked me to do
24 something, take care of business, help him out, that was
25 my understanding of it.

1 Q. Had you ever served in any other capacity
2 where you were acting on behalf of Mark Phillips prior
3 to the Power of Attorney?

4 MR. WEYTHMAN: Objection. Vague.
5 Ambiguous.

6 THE WITNESS: Not that I recall.

7 Q. (BY MR. YURCHAK) Do you ever recall acting
8 as his voting trustee?

9 A. I don't understand "voting trustee."

10 Q. Do you ever --

11 I'll hand you forward a document to mark.

12 (Exhibit No. 13 marked for
13 identification.)

14 THE COURT REPORTER: Exhibit 13.

15 Q. (BY MR. YURCHAK) Do you recognize the
16 document that's been --

17 A. I do.

18 Q. -- marked for you?

19 What do you recognize this document to be?

20 A. The last time I saw this document, two
21 FBI agents put it in front of me and asked me if I had
22 signed it.

23 And I told them, "Yes," and I had signed
24 this -- I don't know -- a week or so before Mark was
25 arrested at his -- right in front of him, at his

1 request, at Hunts Point.

2 Q. Arrested at what point in time?

3 A. When he was initially arrested by the FBI.

4 Q. Initially, I believe to mean in March of
5 2010?

6 A. If that's when he was arrested, then yes.

7 Q. And you said the FBI gave you this document?

8 A. They showed it to me. When I -- when I -- in
9 an interview with the FBI. They asked me like this,
10 "Have you seen that? Is that your signature?"

11 Q. Oh, okay. So this was executed prior to the
12 time that you met with the FBI --

13 A. Yes.

14 Q. -- is that correct?

15 And do you recall executing this document?

16 A. Yes.

17 Q. Is that your signature on the document?

18 A. Yes.

19 Q. And what did you understand this document to
20 be?

21 A. It's kind of confusing but that I could be
22 a -- if I remember correctly, Mark's shares of MOD
23 Systems had been placed in a voting trust. And the
24 trustee at the time was Kylene Cane, who Mark was
25 adverse to. I believe, for some reason or another, he

1 was able to decide or change or -- decide who the
2 trustee or replacement trustee could be. And so as you
3 can see on this document, he had myself, Steve
4 Schweickert, and Cheryl Gradwohl all sign up as
5 potential replacement trustees.

6 Q. Okay. And did you ever perform any functions
7 as his voting trustee?

8 A. Not that I recall, no.

9 MR. YURCHAK: And just to put this on
10 the record --

11 (Exhibit No. 14 marked for
12 identification.)

13 THE COURT REPORTER: Exhibit 14.

14 Q. (BY MR. YURCHAK) Do you recognize the
15 Exhibit 14 that's been placed in front of you?

16 A. Vaguely. I think it was signed about the
17 same time as Exhibit 13.

18 Q. And does it appear to appoint you as his
19 voting trustee, as you said, to replace Kyleen Cane?

20 A. That's what it appears, yes.

21 Q. And did you have any discussions with anybody
22 about your duties as far as executing -- I mean, as far
23 as acting in a trust capacity on behalf of Mark
24 Phillips?

25 A. Just with Mark.

1 Q. What did Mark say, if you can recall?

2 A. That this was not a big deal, roughly. I
3 mean, it's -- I don't recall exactly, but it was along
4 the lines of "This is not a big deal. All you're doing
5 is signing paperwork at my direction."

6 I believe there were also other people that
7 signed this exact same document, just with their name on
8 it. He had multiple trustees, if I remember correctly.

9 Q. And do you recall who those people were?

10 A. I can't say with specificity, but it is my
11 belief that it was probably the three people listed on
12 here as -- as replacement trustees. It would be Steve
13 Schweickert and Cheryl Gradwohl.

14 Q. Okay.

15 A. That's my assumption. He could have had
16 others.

17 Q. Going back to the Power of Attorney, was
18 there any point in time when you believed that you were
19 no longer Mr. Phillips' fiduciary under that
20 Power of Attorney?

21 A. Yes.

22 MR. WEYTHMAN: Objection. Calls for a
23 legal conclusion.

24 Go ahead and answer.

25 THE WITNESS: Yes. It was my

1 understanding that he had -- he told me that his then
2 girlfriend, Eileen Acheson, was his Power of Attorney.

3 Q. (BY MR. YURCHAK) You said that Mark, I
4 believe, had multiple Powers of Attorney?

5 A. Uh-huh.

6 Q. Did Mark ever tell you that you were no
7 longer to be his -- to act under his Power of Attorney?

8 A. Yes.

9 Q. And when did he tell you that?

10 A. I don't recall specifically but it -- he told
11 me that Eileen was now his Power of Attorney.

12 Q. Did you receive any written document from
13 Mark Phillips that terminated the Power of Attorney?

14 A. I don't recall.

15 Q. Are you aware if the Power of Attorney that
16 was executed had any termination -- period of time in
17 which it would terminate?

18 A. I don't recall.

19 Q. Do you recall which actions you may have
20 taken while under -- while operating under Mr. Power --
21 Mr. Phillips' Power of Attorney?

22 MR. WEYTHMAN: Objection. Vague.
23 Ambiguous. Assumes facts not in the record.

24 THE WITNESS: I don't recall doing --
25 the only thing I recall doing as his Power of Attorney

1 was the sale of the Mosler condominium, but I had a
2 special -- I guess, you'd call it a specific or --
3 Power of Attorney for the sale of the Mosler.

4 Q. (BY MR. YURCHAK) Are you saying you had a
5 second Power of Attorney just for the sale of the
6 Mosler?

7 A. Yes.

8 Q. Where did that come from?

9 A. From Mark Phillips.

10 Q. Is that something that you believe is still
11 in your possession?

12 A. I don't know. To be honest with you, I don't
13 know where that is. I have seen it in -- as an
14 attachment to an email with Mary Orvis.

15 Q. Why do you think -- why do you remember the
16 need for there to be a second Power of Attorney for the
17 Mosler sale?

18 MR. WEYTHMAN: Objection. Vague and
19 ambiguous.

20 THE WITNESS: I don't know.

21 Q. (BY MR. YURCHAK) Do you have a specific
22 recollection that it was executed?

23 A. Can you clarify that --

24 Q. Do you have a specific recollection that that
25 Power of Attorney was actually executed by Mark for the

1 Mosler sale?

2 A. Do I remember him signing it?

3 Q. Yes.

4 A. I don't recall that. I recall the
5 Power of Attorney. I recall Mary Orvis requested that
6 Power of Attorney, a specific one for the sale of the
7 Mosler.

8 Q. Do you recall if that Power of Attorney was
9 limited in any way?

10 A. Yes. It was for -- specifically for the sale
11 of Mosler Lofts Penthouse 1.

12 Q. Do you recall if the other Power of Attorney
13 was limited in any way?

14 A. I don't recall.

15 Q. Did you ever give any notice to Mr. Phillips
16 that you no longer wished to operate as -- under his
17 Power of Attorney?

18 A. I believe he told me I was no longer his
19 Power of Attorney.

20 Q. And you don't recall --

21 A. Then I said, "That's fine."

22 Q. You don't recall ever saying to Mark that you
23 no longer wished to be his Power of Attorney?

24 A. I think it was in the same conversation that
25 he -- when he told me I was no longer his

1 Power of Attorney, I said, "That's" -- that Eileen was
2 his Power of Attorney, I said, "That's fine. Let Eileen
3 handle all your crap."

4 Q. Do you recall whether -- so going back to the
5 sale of the Mosler condo --

6 A. Uh-huh.

7 Q. -- how were you involved in the sale of that
8 condo?

9 A. I interacted with Mary Orvis.

10 Q. Okay. And how did you interact?

11 A. She called me and said, "We have a buyer, and
12 we need to take this offer because it's going to
13 foreclose in two weeks, and unless we take this offer,
14 Mark is going to owe a bunch of money." So that was
15 about it. I came down there with her and signed the
16 appropriate documents for the sale of the Mosler.

17 Q. Okay. And were those signed on behalf of
18 Mark Phillips?

19 A. Yes.

20 Q. Do you recall if there was any equity in the
21 sale?

22 A. No. If I remember correctly, it was -- she
23 had to reduce her fees in order to help pay off debt for
24 him because there was not going to be enough to cover
25 liens and moneys owed. There was no -- there was no

1 money in the sale of that condominium.

2 Q. Okay. And did you fulfill any other roles as
3 a fiduciary under that Power of Attorney that you can
4 recall?

5 A. No.

6 Q. Do you recall managing a parking space on
7 behalf of Mark Phillips?

8 A. No.

9 Q. Do you recall receiving any money for the
10 rental of a parking space on behalf of Mark Phillips?

11 A. No.

12 Q. Is it -- okay. I guess we'll go one by one.

13 (Exhibit No. 15 marked for
14 identification.)

15 THE COURT REPORTER: Exhibit 15.

16 Q. (BY MR. YURCHAK) Do you recognize -- what do
17 you recognize this exhibit to be that's been placed in
18 front of you?

19 A. An email regarding a parking spot.

20 Q. And who is it from?

21 A. From Mary Orvis.

22 Q. And that was Mark's real estate agent?

23 A. Yes.

24 Q. And it's addressed to who?

25 A. To me.

1 Q. And does this help refresh your recollection
2 about managing a parking space for Mark Phillips?

3 A. I don't recall anything about a parking
4 space. I knew she had talked about selling it, but I
5 never heard anything from her about that.

6 Q. Do you recall writing the email to Mary,
7 stating that "Mark asked that...future checks for the
8 parking space be made out to me"?

9 MR. WEYTHMAN: Objection. Vague.
10 Ambiguous. Unintelligible.

11 THE WITNESS: Made out to -- who's "me"?

12 Q. (BY MR. YURCHAK) That's the -- I'm just
13 reading off of the email there. It appears that you
14 wrote an email to Mary, saying that "future checks for
15 the parking space be made out to me."

16 MR. WEYTHMAN: Objection.

17 Counselor, do you have the document?

18 THE WITNESS: I don't recall that, no.
19 It says:

20 "Hi Chad: I can rent one of Mark's Mosler
21 spaces for \$150 on a month to month. Are we
22 good with that?"

23 And I replied "Yes."

24 Q. (BY MR. YURCHAK) Okay. I was reading off
25 the wrong document. Can I see that one, please.

1 A. Sure.

2 Q. Okay. So do you recall the conversation with
3 Mary about renting out the parking space?

4 A. I don't recall, no.

5 Q. Now we can move on to the one that I mixed
6 up.

7 (Exhibit No. 16 marked for
8 identification.)

9 THE COURT REPORTER: Exhibit 16.

10 And could you make sure that one gets back in
11 my stack.

12 THE WITNESS: Yes.

13 Q. (BY MR. YURCHAK) And you recognize this as
14 an email between Mary and yourself; is that correct?

15 A. I don't recall this, but that's what it
16 appears to be, yeah.

17 Q. And you said, after reviewing this, you don't
18 recall --

19 MR. WEYTHMAN: Objection. This is the
20 first time that we've seen this.

21 Q. (BY MR. YURCHAK) -- this email?

22 A. I don't recall this, no.

23 Q. Do you recall asking Mary that "the future
24 checks for the parking space be made out to me"?

25 A. I don't recall doing that. If I did, it was

1 probably at Mark's direction, if I asked him, "Where do
2 you want money to go?"

3 Q. Would you have kept an accounting of the
4 money, if that had happened?

5 A. Yes. There's no -- no checks were ever done.
6 I don't know what happened with this.

7 Q. So your statement is you never received any
8 funds on behalf of Mark Phillips from --

9 A. No.

10 Q. -- a parking space?

11 A. No.

12 (Exhibit No. 17 marked for
13 identification.)

14 THE COURT REPORTER: Exhibit 17.

15 THE WITNESS: Thank you.

16 Q. (BY MR. YURCHAK) What does this document
17 appear to be to you?

18 A. An email.

19 Q. And who is it from?

20 A. It looks like -- it looks like it's
21 back-and-forth between myself and Mary Orvis.

22 Q. And do you see on the email from Mary to you,
23 reflected on the bottom portion --

24 A. Uh-huh.

25 Q. -- in the last sentence, it says "I picked up

1 two parking rental checks for you and will mail them
2 tomorrow"?

3 A. I don't recall ever getting any parking
4 rental checks.

5 Q. Okay. If you had gotten any parking rental
6 checks, what would you have done with them?

7 MR. WEYTHMAN: Objection. Calls for
8 speculation.

9 THE WITNESS: Probably would have
10 deposited them in -- I -- I don't know. I never
11 received any parking rental checks. I know Mark was
12 needing money while he was locked up. I don't recall
13 ever receiving any parking rental checks.

14 Q. (BY MR. YURCHAK) Now, I wanted to ask also
15 about any of Mark Phillips' personal items of possession
16 that may be -- personal items that may be in your
17 possession. Do you currently have any of Mark Phillips'
18 property in your possession?

19 A. No.

20 Q. And why is that?

21 MR. WEYTHMAN: Objection. Vague.
22 Ambiguous.

23 Q. (BY MR. YURCHAK) Did you ever have any of
24 his property in your possession?

25 A. When he lived at my house, there was property

1 he brought with him, yes.

2 Q. And what was that property?

3 A. Oh, my God. Television, computers, a couch,
4 his clothes, cigarettes, binders, that sort of stuff.

5 Q. And you said there was two different times
6 when he came to you due to the arrest in June. At what
7 point in time did he bring that property?

8 A. I believe it was when -- after he was first
9 released into my custody.

10 Q. And you said you no longer have possession of
11 any of his property; correct?

12 A. That is correct.

13 Q. I was asking why. Where did it go?

14 A. Went to -- Doug Lower and I moved it all to
15 his girlfriend Eileen's house; got it out of our house.
16 And then we also -- at the same time, we moved the --
17 after the sale of the Mosler, we moved the contents of
18 the Mosler over to Eileen's house as well.

19 Q. So it's your testimony that all of his
20 property was transferred into Ms. Acheson's possession;
21 is that correct?

22 A. With the exception of a couch, because I
23 didn't have a truck big enough to get it out of my
24 house.

25 Q. And what happened to the couch?

1 A. I wanted it moved out, and I asked Mark what
2 he wanted me to do with it, and he said to contact Gigi,
3 his sister Yvonne. She didn't have room for it.

4 And so I asked Eileen -- said, "Hey, can we
5 bring this couch up to your house?" And she said she
6 didn't want it or have room for it. And my daughter was
7 sick at the time, and I needed the space; so I had -- I
8 gave it to a friend.

9 Q. And when did you -- essentially, like a
10 donation?

11 A. Yeah. I just needed it out of my house. I
12 said, "Hey, you know" --

13 Q. And when did that happen?

14 A. I don't recall. It was 2011 time frame.

15 Q. Do you recall what happened to his office
16 chairs?

17 A. I -- that stuff all got moved up to Eileen
18 Acheson's house.

19 MR. YURCHAK: Okay. It's nearing
20 12:00 o'clock, and I presume you'd like a lunch break --
21 right? --

22 MR. WEYTHMAN: Sure.

23 MR. YURCHAK: -- which is usually an
24 hour, and I don't want to get in the next phase of
25 things and run into 12:00 o'clock. So if you don't

1 object, we can reconvene at around 12:50?

2 MR. WEYTHMAN: That's okay.

3 (Lunch recess from 11:49 a.m. to
4 12:47 p.m.)

5 (Exhibit No. 18 marked for
6 identification.)

7 MR. YURCHAK: So we're back on the
8 record.

9 Q. (BY MR. YURCHAK) If you could take a look at
10 the next exhibit, 18, what do you recognize this exhibit
11 to be?

12 A. It looks like an email from Mark's prison
13 account to Josette Jenkins and myself.

14 Q. Is that your true and accurate email address
15 noted there?

16 A. Yes.

17 Q. And do you have any recollection of receiving
18 this email?

19 A. Let me read through it for just a second.

20 Q. Uh-huh.

21 A. I don't recall this specific email, no.

22 Q. Do you see the date on the email?

23 A. Yes.

24 Q. And you said that you were not in the habit
25 of deleting emails that you received from this

1 time frame; is that correct?

2 A. Yes.

3 Q. Okay. Is it possible that you may still have
4 a copy of this in your email account?

5 A. Could be possible.

6 Q. And what's the date on this email that you
7 see?

8 A. It is April 14th, 2010.

9 Q. And -- and you recognize this to be an email
10 from Mark Phillips?

11 A. That's what it says.

12 Q. And the first line there, "Since you both
13 have power-of-attorney" -- do you recall having a
14 Power of Attorney at this time?

15 A. I don't recall.

16 Q. Do you recall being requested to exercise
17 warrants in A DOT?

18 A. No.

19 Q. When Mark made requests pursuant to his --
20 the Power of Attorney, would you ever document those
21 requests in a written format?

22 MR. WEYTHMAN: Objection. Assumes facts
23 not in the record.

24 THE WITNESS: I want to clarify a couple
25 things. What are warrants in A DOT?

1 Q. (BY MR. YURCHAK) I don't know. I'm simply
2 asking --

3 A. Okay.

4 Q. -- if you had any recollection of his request
5 to do that, to exercise warrants in A DOT.

6 A. No. I don't have any recollection of him
7 asking me to do that. I don't even know what the
8 warrants in A DOT are.

9 Q. Okay. Do you have any recollection -- and I
10 want to be clear. I was asking if you had a
11 recollection of him asking you to do that. Do you have
12 any recollection of actually doing that?

13 A. No.

14 Q. So when Mark Phillips would make requests to
15 you pursuant to the Power of Attorney, would you
16 document them in a written format, journal, ledger,
17 something on a computer?

18 A. No.

19 Q. Do you recall if requests would come to you
20 in both verbal and written format from Mark?

21 MR. WEYTHMAN: Again, objection.
22 Assumes facts not in the record.

23 THE WITNESS: I don't really recall.
24 Most of the time when Mark made a request for a
25 Power of Attorney, he did it in a group-email format, as

1 you see here, where he would ask everybody that he had
2 issued a Power of Attorney to to do something. And
3 whether or not people did it or not --

4 Q. (BY MR. YURCHAK) Okay.

5 A. -- who knows?

6 Q. Now, you stated that you did not manage a
7 parking space for Mark Phillips --

8 A. No.

9 Q. -- is that right?

10 A. That's correct. I did not manage a parking
11 place for Mark Phillips.

12 Q. You never obtained any money for any parking
13 space?

14 A. No, none at all.

15 Q. Do you have any doubt about that?

16 A. I'm absolutely positive. I never received
17 any money for a parking place.

18 MR. YURCHAK: Sorry.

19 (Exhibit No. 19 marked for
20 identification.)

21 THE COURT REPORTER: Exhibit 19.

22 THE WITNESS: Thank you.

23 Q. (BY MR. YURCHAK) Just looking at this
24 exhibit generally, what do you recognize this exhibit to
25 be without even reading it?

1 A. A letter.

2 Q. And do you recognize the handwriting in that
3 letter?

4 A. Yeah. It's mine.

5 Q. And do you have a particular way in which you
6 write zeroes?

7 A. I write zeroes.

8 Q. Is there a particular way in writing zeroes
9 to usually put a dash through them?

10 A. Yeah.

11 Q. Is the 2010 date there in the corner how you
12 would typically write "2010" in your handwriting?

13 A. That is written in my handwriting, yes.

14 Q. On the last page of the letter, how is the
15 letter signed?

16 A. "Dad."

17 Q. And why is that?

18 A. Because that's what Mark used to call me.

19 Q. Why did Mark call you "Dad"?

20 A. Because I tried to impart some rational
21 wisdom on him --

22 Q. Understood.

23 A. -- which I'm sure you've found quite
24 difficult yourself.

25 Q. So does this appear to be a letter written by

1 you to Mark Phillips?

2 A. Yes.

3 Q. If I can direct your attention to a few
4 portions of this letter --

5 A. Okay.

6 Q. -- on the first page, do you recall, there in
7 the second paragraph, where you sold two queen bed
8 frames for \$500?

9 A. Yes. There was -- the buyer of the condo
10 wanted the two bed frames for \$500, but she would not
11 pay that until she got a remote for the blinds, which
12 was never located.

13 Q. And you write -- do you agree that you write
14 "I will deposit the money into your FBOP account"?

15 A. FBOP, yes, Federal Bureau of Prison accounts,
16 yes.

17 Q. Okay. Was that pursuant to any request by
18 Mark, if you can recall?

19 A. Yeah. He was always asking for money.

20 Q. With respect to the bed frames --

21 A. Uh-huh.

22 Q. -- did he have any specific -- was that a
23 request from Mark regarding the sale of the bed frames?

24 A. I don't understand what you're asking.

25 Q. Was he requesting you to sell the bed frames

1 and put the money on his account?

2 A. No. Mary Orvis had said that the buyer
3 wanted the beds and that she had told the buyer that
4 they can have them for \$500. And then if I remember
5 correctly, the buyer did not -- wouldn't give the check
6 for \$500 until the remote for the blinds had shown up.
7 And I remember -- I think at this point all the stuff
8 had been moved to Eileen's house, and we couldn't find
9 the remote for the blinds.

10 Q. Okay. Going to the next paragraph --

11 A. Uh-huh.

12 Q. -- correct me if I'm wrong, but it reads:
13 "The \$300 I have been putting into your
14 account has been coming from the parking
15 space rental that obviously will be going
16 away at the end of the month."

17 A. Maybe I misspoke, and I don't -- I don't
18 recall having received any money, but if I did, it went
19 to Mark in his -- in his account, his Federal Bureau of
20 Prisons account.

21 Q. In reading that statement, does it -- do you
22 have any recollection of -- of the parking space?

23 A. I don't.

24 Q. Do you have any recollection of receiving
25 money for it?

1 A. No, I don't.

2 Q. Do you have any recollection of receiving
3 money from it that you put into your account?

4 A. No, I don't.

5 Q. Any recollection of receiving money for it
6 that you put into Mark's account?

7 A. No, I don't.

8 Q. Is there a reason that you can remember with
9 particularity the bed frames and the remote control but
10 you have no recollection of the parking space?

11 A. Because I just reviewed those emails from
12 Mary Orvis on the sale, which Mark accused me of taking
13 money from the Mosler, and we brought up for the
14 receivership the documents from Mary Orvis and the
15 specific Power of Attorney, which is -- for the
16 property, which is the only Power of Attorney that I
17 ever executed anything on for Mark, which you were kind
18 of commingling at the conclusion of -- before lunch.

19 There was two separate Powers of Attorney,
20 and the one that I executed on was the special
21 Power of Attorney for the Mosler Lofts.

22 And so I had just reviewed that documentation
23 and read the email where Mary had been wondering if we'd
24 found the remote so that she could get money from the
25 buyer for the beds.

1 Q. And when did you review that email?

2 A. Probably two weeks ago.

3 Q. Okay. And you seem to draw a distinction
4 between the Powers of Attorney -- you state there was a
5 Mosler Power of Attorney that was limited to the sale of
6 that unit; correct?

7 A. I'm sorry. I didn't --

8 Q. You said there was a Power of Attorney for
9 the Mosler sale; correct?

10 A. Yes.

11 Q. You said that there's other Powers of
12 Attorneys as well?

13 A. He -- Mark gave Powers of Attorney to
14 everybody.

15 Q. There was other Powers of Attorneys that he
16 gave to you as well?

17 A. He gave one Power of Attorney, which we've
18 already discussed.

19 Q. And is it your testimony that he gave only
20 one that was limited simply to the sale of the Mosler
21 condo?

22 A. He gave a Power of Attorney -- and I believe
23 it was at Mary Orvis's request -- that was limited to
24 the sale of the Mosler.

25 Q. That was the one and only Power of Attorney

1 that Mark gave to you?

2 A. That's not what I said.

3 Q. That's what I'm trying to parse through here.

4 A. No.

5 Q. Because when I asked you, I thought -- if
6 there was more than one, you said no. Am I mistaken?

7 A. That's not what I said.

8 Q. Okay. What did you say when I asked if
9 there's more than one Power of Attorney?

10 A. Okay. I'll say this one last time for you.
11 Okay? So let's try to listen. There was a
12 Power of Attorney for the Mosler that would be called, I
13 guess, a special Power of Attorney. Then there was
14 several Powers of Attorney that Mark gave to various
15 people, me being one of those people, that was a general
16 Power of Attorney.

17 Q. Okay.

18 A. The only Power of Attorney I ever acted on
19 was the special Power of Attorney for the Mosler.

20 Q. Okay. So you took --

21 A. Are we clear?

22 Q. Yeah, a lot more clear.

23 So you took no action on the, we'll call it,
24 general Power of Attorney?

25 A. To the best of my recollection, no, I took no

1 action with the general Power of Attorney.

2 Q. Would you agree that the statement in your
3 letter that you took \$300 from the parking space rental
4 would have been under the general Power of Attorney,
5 despite the fact that you have no recollection of --

6 A. No. I don't -- I don't recall that. I don't
7 recall that.

8 Q. I understand you don't recall it, but if it
9 were to have happened -- and it appears to have
10 happened, because it's your statement --

11 MR. WEYTHMAN: Objection. Calls for a
12 legal conclusion.

13 Q. (BY MR. YURCHAK) -- would that have happened
14 under the general Power of Attorney?

15 A. I don't know.

16 Q. Did you ever -- referring you down to the
17 next paragraph, there is a statement, after the first
18 sentence:

19 "I received a statement on the MW account and
20 there is \$676 in there, as well as \$412 in
21 the AB account. If you will send me
22 instruction I will transfer that to you as
23 well."

24 What is the MW account?

25 A. I'm not sure but my -- I would guess it

1 stands for "MetaWallet."

2 Q. And what was MetaWallet?

3 A. MetaWallet was one of Mark's shell companies.

4 Q. And how would you know what the account
5 balances were?

6 A. Because Mark was having all of his mail sent
7 to my house.

8 Q. Okay.

9 A. And, actually, I think this was -- either my
10 house, or was it going to Eileen? I don't recall
11 exactly.

12 Q. And if you asked for instruction from Mark to
13 take the money out of the account, would that have been
14 done under the special Power of Attorney for Mosler?

15 MR. WEYTHMAN: Objection. Calls for a
16 legal conclusion.

17 THE WITNESS: I was asking what he
18 wanted done with it. He was -- he needed money.
19 Because if you read the rest of the letter in here, it
20 says:

21 "You need to understand that I am on a very
22 tight budget and am going to have a hard time
23 putting money in your account after the
24 parking money stops. I received a
25 statement," blah, blah, blah.

1 Basically, I was putting money -- I have
2 records of all this -- out of my personal account and
3 giving him money while he was in prison so that he could
4 buy whatever he needed to buy. So, yeah, I was taking
5 my own personal money -- this is also -- this letter was
6 written the day before my daughter was diagnosed; so I'm
7 sorry if I'm a little fuzzy on exactly what went on. I
8 had a pretty traumatic event happen in my life the next
9 day.

10 Q. (BY MR. YURCHAK) I certainly understand
11 that.

12 A. So --

13 Q. But my question was confined to simply the
14 statement that you make, "If you send me instruction to
15 transfer money" -- "if you...send me instruction I will
16 transfer that," referring to the money in MW, "as well."
17 And my question was did that -- would those instructions
18 have been executed under the special Power of Attorney,
19 as you testified, for the Mosler unit?

20 MR. WEYTHMAN: Same objection. Calls
21 for a legal conclusion.

22 THE WITNESS: I don't know. How did he
23 want the money moved out of his account? It's his
24 account. I was asking -- I don't do anything with his
25 stuff without his permission. I don't know.

1 What are you trying to get at here?

2 Q. (BY MR. YURCHAK) You testified you never
3 took any actions under the general Power of Attorney.

4 A. To my -- best of my recollection, I did not
5 take any actions under the general Power of Attorney.

6 Q. And I'm asking if the instructions you were
7 seeking from Mark to move money from the MetaWallet
8 account would have been executed under the general
9 Power of Attorney.

10 A. I don't know. I thought you asked me would
11 it be under the special Power of Attorney.

12 Q. I asked that too.

13 A. Do you know?

14 Q. Because that was your testimony, that you
15 only took action under the special Power of Attorney.

16 A. I did only take action under the special
17 Power of Attorney.

18 Q. Did you ever interact with attorneys on
19 Mark's behalf under his Power -- under his
20 Power of Attorney?

21 MR. WEYTHMAN: Objection. Calls for a
22 legal conclusion.

23 THE WITNESS: No. I don't believe so.
24 I don't recall.

25 Q. (BY MR. YURCHAK) Looking at the second page,

1 middle, it says:

2 "Lately I have been doing some document
3 research to help Mair."

4 Who was Mair?

5 A. Pete Mair was his public defender for his
6 federal criminal trial.

7 Q. "Please let me know where I can find the MOD
8 formation...documents," et cetera.

9 Would you have been operating under the
10 general Power of Attorney at the direction of Mark's
11 attorney --

12 A. No.

13 Q. -- in preparation of his criminal case?

14 A. No.

15 MR. WEYTHMAN: Objection. Calls for a
16 legal conclusion.

17 Q. (BY MR. YURCHAK) No? And why not?

18 A. I didn't --

19 MR. WEYTHMAN: Objection. Calls for a
20 legal conclusion.

21 Q. (BY MR. YURCHAK) Why would you not have been
22 operating under a Power of Attorney to have access, I
23 presume, to Mr. Phillips' personal documents at the
24 request of his attorney?

25 MR. WEYTHMAN: Same objection. Legal

1 conclusion.

2 THE WITNESS: I don't understand how
3 they were personal documents.

4 Q. (BY MR. YURCHAK) When you were opening -- I
5 think you testified that you opened mail?

6 A. I never testified that I opened mail.

7 Q. Did you ever open any mail that was in Mark
8 Phillips' name?

9 A. I don't recall. Not when he wasn't there.

10 Q. Did you ever open any mail that came from any
11 companies affiliated with Mark Phillips, such as
12 MetaWallet?

13 A. I don't recall. I was -- I don't recall.

14 Q. Would you -- the date of the letter that
15 we're discussing is November 25, 2010; is that correct?

16 A. That appears to be so.

17 Q. Would you agree that you were still operating
18 under Mark Phillips' Power of Attorney at that time?

19 MR. WEYTHMAN: Asked and answered.

20 THE WITNESS: No.

21 Q. (BY MR. YURCHAK) And why not?

22 A. Because before he had left my house after
23 being arrested the second time for huffing keyboard
24 cleaner, by the FBI, he had told me that Eileen was his
25 Power of Attorney. He was in fact preparing to move to

1 her house, and Eileen was now his Power of Attorney.

2 Q. How do you reconcile that with your statement
3 that you were taking \$300 from a parking space to put on
4 his account?

5 A. I don't recall taking \$300, but I do recall
6 that his girlfriend at the time was not doing a whole
7 lot; and, therefore, some of us felt like we should help
8 Mark out. And so I was continuing to help him out by
9 giving him actual personal money out of my own account.
10 I was wiring it to him to try to help a friend out.

11 Q. Do you recollect how much money you were
12 giving to him of your own funds?

13 A. I have it written down at home. It was a
14 couple hundred bucks at a time because it was all I
15 could afford.

16 Q. In total?

17 A. Oh, I assume probably between 2- and \$3,000.

18 Q. And you said you did keep a written record of
19 these disbursements to him; is that correct?

20 A. I wrote down the Western Union transfer
21 numbers just in case I had problems with them.

22 Q. And you've retained those?

23 A. Yeah. They're -- yes, I have those.

24 Q. And you said before the break that you
25 weren't certain when the Power of Attorney was

1 terminated, but you sounded more clear now that it -- it
2 happened around the time frame that his girlfriend,
3 Eileen, was getting involved. Do you have a specific
4 recollection about that time frame?

5 MR. WEYTHMAN: Objection.
6 Mischaracterizes the witness's testimony.

7 THE WITNESS: Yeah. That's not -- I --
8 it happened right around the time he went back to jail
9 for the second time for huffing cleaner in my bathroom,
10 and the paramedics had to come. And she was the one
11 that called. I was in Priest Lake, and she was the one
12 that called the paramedics.

13 Q. (BY MR. YURCHAK) Where is Priest Lake?

14 A. What's that?

15 Q. Where is Priest Lake?

16 A. In Idaho.

17 But it was around that time that the
18 discussion happened where Mark decided that he didn't --
19 he wanted Eileen to be his Power of Attorney in charge
20 of his affairs.

21 Q. Is it correct that you recall that being
22 around June?

23 A. I don't -- I don't recall exactly when that
24 was. It was sometime in the summer months. I don't
25 know if it was in June or July or August. It was

1 sometime before Mark went to jail for the second time.

2 Q. I believe in your testimony that you stated
3 that it was in June. Would I be incorrect on that?

4 A. No. That's when he got rearrested the first
5 time for --

6 Q. Okay.

7 A. Okay? Then -- have you --

8 Q. Oh.

9 A. Have you talked to your client about his
10 criminal history and when he was arrested and what
11 happened, or has he been telling you the truth? Because
12 you seem awful confused here.

13 Q. I sometimes get dates mixed up.

14 A. I would say so.

15 Q. And I now remember --

16 A. Just -- just so that you know --

17 Q. -- that you said it happened a second
18 time that he got arrested.

19 A. -- he -- he got --

20 THE COURT REPORTER: One at a time.

21 THE WITNESS: -- arrested the second
22 time --

23 Q. (BY MR. YURCHAK) And -- and I'm sorry I
24 didn't hear that.

25 The second time, you said, was in July --

1 June, July, or August; is that correct?

2 A. No. The first time was in June, I believe,
3 and the second time, when he was gone for good, I
4 believe was in late July, early August. It was sometime
5 there.

6 Q. Thank you, and I'm sorry. I know there's a
7 lot of facts to go through with these things, isn't
8 there?

9 So I'd like you to look at another letter.

10 (Exhibit No. 20 marked for
11 identification.)

12 THE COURT REPORTER: Exhibit 20.

13 THE WITNESS: Thank you.

14 Q. (BY MR. YURCHAK) Looking at Exhibit 20
15 that's been placed before you, again, looking at the
16 handwriting of the letter, looking at how it's been
17 signed, do you recognize this -- what do you recognize
18 this document to be?

19 A. Let me -- let me look at it first here.

20 Okay. What was your question about it?

21 Q. What do you recognize it to be?

22 A. It's a letter.

23 Q. And written by whom?

24 A. It appears to be written by me.

25 Q. And is it signed in the same fashion that you

1 signed letters to Mark?

2 A. At that time, yes.

3 Q. How are they signed now, if you were to write
4 one, I wonder?

5 A. I think it's --

6 MR. WEYTHMAN: Objection. Calls for
7 speculation.

8 THE WITNESS: I think it's appropriate.

9 Q. (BY MR. YURCHAK) Now, do you have a
10 recollection of writing this letter?

11 A. No.

12 Q. Looking at the second page, in the third
13 paragraph, which is the last, you write:

14 "Please tell her," which I believe is in
15 reference to Ms. Acheson, "that we," under --
16 which is underlined, "have everything under
17 control and not take action that is going to
18 make" -- "make more complicated for us" --
19 "make more complications for us."

20 Trying to read your writing there correctly.
21 Do you see when this letter is dated?

22 A. Yeah. It's dated not in my handwriting.

23 Q. Oh, okay. Whose handwriting --

24 A. I don't know.

25 Q. Do you have any recollection when this letter

1 may have been written?

2 A. Obviously, he was in jail.

3 Q. Do you dispute -- okay.

4 So at the time this letter was written, Mark
5 Phillips was in jail. Looking at the -- you're not
6 aware of what time frame this letter may have been
7 written in?

8 A. Well --

9 MR. WEYTHMAN: Objection. Vague and
10 ambiguous.

11 THE WITNESS: There's a date on here,
12 but it's not in my writing. So, once again, as we've
13 seen in federal court and we've seen in the
14 receivership, Mark has a tendency to date documents that
15 are convenient for him.

16 Q. (BY MR. YURCHAK) So you dispute that this
17 document was dated --

18 A. 9/16 --

19 Q. -- on the date indicated?

20 A. -- 2010? It's not my writing. I don't know
21 when it was dated.

22 Q. You'll notice the paragraph preceding the one
23 I just spoke about discusses --

24 A. I forget. Which one did you just speak
25 about?

1 Q. The one starting with "Please."

2 The second paragraph discusses --

3 MR. WEYTHMAN: Objection. Ambiguous.

4 Multiple paragraphs start with "Please."

5 MR. YURCHAK: You're right.

6 Q. (BY MR. YURCHAK) So on the second page,
7 second paragraph, beginning with "Recently," what does
8 that paragraph discuss?

9 A. Would you like me to read it?

10 Q. Yes.

11 A. It says:

12 "Recently she has been trying to screw around
13 with Mary Orvis business, by bringing in a
14 new person & having a fire sale."

15 Talking about Mary Orvis, I think it's safe
16 to say it's talking about the sale of the condominium.

17 Q. Do you recall --

18 A. And I kind of remember what was going on now,
19 and this is --

20 Q. If you could just answer my questions.

21 Do you recall when the sale of the
22 condominium occurred?

23 A. No, not specifically. I'd have to go back
24 and look.

25 MR. YURCHAK: Okay. If I could hand

1 forward this set of emails.

2 (Exhibit No. 21 marked for
3 identification.)

4 THE COURT REPORTER: Exhibit 21.

5 Q. (BY MR. YURCHAK) On Exhibit 21, what do you
6 recognize the first page to be?

7 A. An email.

8 Q. From who to who?

9 A. Looks like from me to Mary Orvis.

10 Q. And --

11 A. Oh, I'm sorry. That was my reply to Mary
12 Orvis. It was Mary writing to me, and I replied "mailed
13 today."

14 Q. And the date?

15 A. September 27th.

16 Q. And what do you recall this email being in
17 reference to?

18 A. It looks like the sale -- anything that
19 had -- anything that was with the sale of the Mosler
20 Lofts with Mary Orvis.

21 Q. Does that help refresh your recollection as
22 to when the lofts -- when the condo unit was sold?

23 A. Yeah. The -- let's see, where's the dates on
24 here? Condo association -- fees reduced -- so this says
25 October 1st, 2010.

1 Q. Does --

2 A. And this purchase and sale -- these --
3 there's several documents here. There's one that says
4 "Addendum/Amendment to Purchase and Sale Agreement," and
5 it says September 17th, 2010. I don't know if that was
6 an offer.

7 Q. Does that sound right to you, that the sale
8 occurred around that time frame --

9 A. Yes.

10 Q. -- late September? Okay.

11 Does that date of the sale correspond with
12 the date of September 16, 2010, on the letter in the
13 previous exhibit, Exhibit 20?

14 A. No.

15 Q. Why not?

16 A. Because this says September 17th. This says
17 September 16th. This one says October 1st. So I don't
18 know what you're getting at. Can you clarify for me
19 what you're -- what are you --

20 Q. So looking at the second page of Exhibit 20,
21 of your letter --

22 A. Okay. Exhibit 20 is the letter. Okay.
23 Second page.

24 Q. It states -- you write:

25 "Recently she has been trying to screw around

1 with Mary Orvis business" --

2 A. Uh-huh.

3 Q. -- trying to have a fire sale.

4 A. Uh-huh.

5 Q. What does that sound like it's in reference
6 to?

7 A. Well, this is what happens when you give
8 multiple people Powers of Attorney and you ask somebody
9 who's acting under a special Power of Attorney to handle
10 the Mosler sale but then you give your girlfriend a
11 general Power of Attorney and she comes in and tries to
12 oversee and do things.

13 And so that's when Eileen was in there when
14 there was things in the works to try to benefit Mark to
15 actually make him break even. And Eileen was trying to
16 bring in a new real estate agent, if I remember
17 correctly, and wanted to do a, quote/unquote, fire sale,
18 what she called it.

19 Q. So were you operating under a
20 Power of Attorney at that time?

21 A. For the Mosler Lofts. I thought we made this
22 clear. There was a special Power of Attorney for the
23 Mosler Lofts, and that's what I was operating under. Do
24 we have to hash through this again?

25 Q. No. I just wanted to make it clear.

1 A. I've already stated that several times.

2 Q. Okay. And what was your relationship with
3 Ms. Acheson like?

4 A. An acquaintance. We weren't really the best
5 of friends. I didn't personally care for her.

6 Q. And do you know what her opinion is of you?

7 MR. WEYTHMAN: Objection. Speculation.

8 THE WITNESS: I don't, and I don't care.

9 Q. (BY MR. YURCHAK) Were you ever friends at
10 any point in time?

11 A. More acquaintances.

12 Q. And how would you -- when was the last time
13 that you spoke with Ms. Acheson or had any communication
14 with Ms. Acheson?

15 A. I don't recall. It's been a long, long time.

16 Q. What do you recall the -- so what do you
17 recall the nature of -- of your association or
18 acquaintance, I think you put it, at the time of that
19 last communication?

20 MR. WEYTHMAN: Objection. Vague.
21 Ambiguous.

22 THE WITNESS: I don't recall.

23 Q. (BY MR. YURCHAK) Basically --

24 A. I -- I want to say the last time I really had
25 contact with Ms. Acheson was moving Mark's belongings to

1 her house in Bellevue. That was kind of the end of it.

2 Q. And how would you describe her general
3 attitude towards you?

4 MR. WEYTHMAN: Objection. Asked and
5 answered.

6 THE WITNESS: I don't know what her
7 attitude was. I didn't really interact with her. Kind
8 of flippant.

9 Q. (BY MR. YURCHAK) Skipping ahead somewhat,
10 you testified earlier that you became an officer of HPV
11 in May of 2012; is that correct?

12 A. Yes, I believe so.

13 Q. And how did that occur?

14 A. Shareholder consent.

15 Q. Okay. And what effect did that consent have
16 in terms of your relationship with Hunts Point Ventures?

17 MR. WEYTHMAN: Objection. Calls for a
18 legal conclusion.

19 Q. (BY MR. YURCHAK) What did you acquire from
20 that consent?

21 MR. WEYTHMAN: Objection. Vague and
22 ambiguous.

23 MR. PHILLIPS: One signed by Steve, one
24 signed by him.

25 MR. YURCHAK: Oh.

1 Q. (BY MR. YURCHAK) What happened after that
2 consent?

3 A. Can you clarify. I don't understand what
4 you're asking.

5 Q. What did that consent do with respect to you
6 and your relationship with Hunts Point Ventures?

7 MR. WEYTHMAN: Objection. Calls for a
8 legal conclusion.

9 THE WITNESS: I'd have to see the exact
10 document you're asking about.

11 Q. (BY MR. YURCHAK) Did you become a
12 shareholder?

13 A. There are -- there are -- I'd like to see the
14 documents that you're talking about, you're referencing.

15 (Exhibit No. 22 marked for
16 identification.)

17 THE COURT REPORTER: Exhibit 22.

18 THE WITNESS: Thank you.

19 Q. (BY MR. YURCHAK) I've put a document before
20 you, Exhibit 22. What do you recognize this document to
21 be?

22 A. I recognize this to be the Hunts Point
23 Ventures, Inc. Joint Consent in Lieu of Annual Meeting
24 of Shareholders and Directors.

25 Q. Okay. And, again, going back to my question,

1 what effect did this joint consent have in terms of your
2 relationship with Hunts Point Ventures?

3 A. It made me officially a 50 percent
4 shareholder in Hunts Point Ventures.

5 Q. Okay. Did you ever pay any money to acquire
6 your shares?

7 A. No.

8 Q. And why did you become a 50 percent
9 shareholder of Hunts Point Ventures through this joint
10 consent?

11 A. Because the shareholders and directors
12 decided that I should become a shareholder of Hunts
13 Point Ventures.

14 Q. Who were the shareholders and directors at
15 that time?

16 A. Steve Schweickert.

17 Q. And what was the reason for it?

18 MR. WEYTHMAN: Objection. Calls for
19 speculation. No personal knowledge.

20 Q. (BY MR. YURCHAK) What was the reason that
21 you were given shares?

22 A. I was promised shares in the company, and all
23 of a sudden, Steve decided he wanted to have me become
24 50 percent shareholder, as he had promised. I think, if
25 you read the document, it actually states the stuff in

1 there. So --

2 Q. When were you promised shares?

3 A. I don't recall exactly. On a number of
4 occasions.

5 Q. A number of occasions?

6 A. (No audible response.)

7 Q. Any of those occasions happen in 2010?

8 A. I don't recall.

9 Q. And why did you want to become a shareholder?

10 A. I don't recall. Why not?

11 Q. You don't recall why you wanted to become a
12 shareholder in Hunts Point Ventures?

13 A. To make money, to start a company. Why would
14 somebody want to become a shareholder in a company?

15 Q. I'm asking you. What was your state of mind
16 at that time?

17 A. It was an opportunity to move forward with
18 the business.

19 Q. And where did you see that business moving
20 forward to?

21 A. Litigating intellectual property.

22 Q. Okay. And why did you choose Hunts Point
23 Ventures to be a part of?

24 A. Hunts Point Ventures asked me.

25 Q. And you accepted?

1 A. Yes.

2 Q. And why did you accept?

3 A. Why not?

4 Q. Okay. Now, what did you understand your role
5 to be when you acquired your shares in Hunts Point
6 Ventures?

7 A. To be a 50 percent shareholder.

8 Q. The document says that you were -- you became
9 its president; is that correct?

10 A. Yes. I also -- the second part of the
11 document -- I did become an officer of the corporation.

12 Q. And who was the president prior to you
13 becoming the president?

14 A. Steve Schweickert.

15 Q. And what has Steve Schweickert become after
16 this joint consent was signed?

17 A. I'd have to look here. Let me see.
18 Vice president.

19 Q. What was the reason that you -- now, you --
20 you said earlier that -- well, what was the reason that
21 you became president of HPV?

22 A. Because the shareholders and directors asked
23 me to become president of HPV.

24 Q. Did they feel you had any certain
25 expertise --

1 MR. WEYTHMAN: Objection. Calls for
2 speculation. No -- no foundation, personal knowledge.

3 Q. (BY MR. YURCHAK) -- in making you president?

4 A. Ask Steve. He's the one that was the
5 shareholder that decided that everyone would be that.

6 Q. And when was this joint consent signed?

7 A. Let's see. 29th day of May 2012.

8 Q. Do you recognize your signature as your
9 signature on -- on the very last page of the joint
10 consent?

11 A. Yes.

12 Q. And you said it was signed on May 29th, 2012?

13 A. Well, if you read -- it was backdated at
14 Steve's insistence.

15 Q. And what do you mean by that?

16 A. He asked that it be backdated back to
17 May 31st of 2011.

18 Q. You do see that the -- there's two dates on
19 the document; is that not correct? There's May 29,
20 2012, and there's May 2011.

21 A. Uh-huh.

22 Q. If there's two dates, how can you be certain
23 that this was backdated?

24 A. Because I signed it.

25 Q. I understand, but it's also -- is it not

1 signed according to both dates? There's two dates
2 there.

3 A. Yeah. It says "so resolved this 29th day of
4 May 2012" and then dated May 31st, 2011.

5 Q. So according to your understanding and the
6 way that it's written, this is a backdated document to
7 May 31, 2011?

8 A. According to the document, yes.

9 Q. And what was your understanding about why --
10 did you have any understanding about why Steve wanted it
11 done that way?

12 A. I have speculation as to why Steve wanted it
13 that way.

14 Q. Okay. And what is that speculation?

15 A. He was involved in legal problems with his
16 girlfriend, Joyce Schweickert, at the time.

17 Q. So you think it was related to that?

18 A. Absolutely.

19 Q. Now, you'll notice under -- on the first
20 page, paragraph D, it states:

21 "To the extent that the transfer of shares to
22 Chad Rudkin was not legally effectuated as of
23 January 1, 2011, the Shareholders now
24 unanimously make and ratify the issuance of
25 shares to Rudkin."

1 And on the second page, under the Ratify and
2 Elect Directors section, it states:

3 "FURTHER RESOLVED, that all actions taken by
4 the directors of the Corporation in managing
5 the affairs of the Corporation from the
6 company's inception through the date hereof,
7 are hereby approved, adopted, ratified and
8 confirmed in all respects."

9 Does this document appear to make you an
10 officer as of January 11 -- January 1st, 2011?

11 A. It appears to make me an officer of the
12 company and a shareholder as of the 29th day of May
13 2012.

14 Q. When you read -- and why is that?

15 A. That's what it states at the top right here
16 when "this resolution" was "entered into effective this
17 29th day of May 2012, pursuant to the RCW."

18 Q. Why does it state "To the extent that the
19 transfer of shares to Chad Rudkin was not legally
20 effectuated as of January 1, 2011"?

21 A. I think it's pretty evident because it states
22 that the transfer of shares to Chad Rudkin were not
23 legally effectuated.

24 Q. Does that mean they were supposed to be
25 legally effectuated as of January 1st, 2011?

1 MR. WEYTHMAN: Objection. Was that
2 legally or illegally?

3 Q. (BY MR. YURCHAK) Legally.

4 A. Steve had been speaking for some time about
5 making me a shareholder, making me a shareholder, and he
6 kept putting it off and putting it off and putting it
7 off. I don't know why he put that in there.

8 Q. Do you -- what is your understanding, then,
9 of that paragraph?

10 A. Which paragraph?

11 Q. D.

12 A. D on the first page?

13 Q. Yeah.

14 A. That I was not a legal shareholder as of
15 January 1st, 2011 --

16 Q. Okay.

17 A. -- and that the shareholders now unanimously
18 make and ratify that issuance of shares.

19 Q. Right.

20 A. I mean, it's in English.

21 Q. Is your understanding that the intent was
22 that you be a shareholder as of January 1st, 2011?

23 MR. WEYTHMAN: Objection. Calls for
24 speculation.

25 THE WITNESS: My -- I am saying that

1 Steve had offered to make me a shareholder many times
2 previously, and as of the 29th day of May 2012 is when I
3 became a shareholder.

4 Q. (BY MR. YURCHAK) Let's look at paragraph C,
5 then:

6 "Although the Shareholders never memorialized
7 the transfer in writing, it has been the
8 agreement and understanding of Schweickert
9 and Rudkin that Rudkin became an owner of 50%
10 of the shares of Hunts Point Ventures, Inc.,
11 effective January 1, 2011, and have shared
12 equally in all operating decisions of the
13 corporation since that time."

14 A. What's your question?

15 Q. Didn't you just testify that your -- you just
16 gave testimony, as an officer of this corporation, that
17 your shares only became effective as of May 29, 2012,
18 did you not?

19 A. That's what the document says.

20 Q. The document says in paragraph C that you
21 were to be an owner of 50 percent of Hunts Point
22 Ventures from January 1st, 2011, does it not?

23 A. It also says the shareholders never
24 memorialized the transfer in writing.

25 Q. And what does this document do, in your

1 opinion, with respect to that transfer of shares?

2 A. It makes it legally effective as of
3 January -- or May 29th, 2012.

4 Q. So I'm trying to understand again. And, you
5 know, maybe I'm just stupid. I don't know. But does
6 the document itself not say that you had an agreement --
7 an agreement and understanding that you were to become
8 an owner as of January 1st, 2011 --

9 A. I don't recall.

10 Q. -- not May 29, 2012?

11 A. I don't recall. At times previously, Steve
12 Schweickert had said that I would become a shareholder
13 of the corporation. On May 29th, 2012, is when that
14 happened.

15 Q. Did you sign this document?

16 A. Yes.

17 Q. Did you read it before you signed it?

18 A. Yes.

19 Q. Did you see this language in paragraph C and
20 D that were included in this document at the time you
21 signed it?

22 A. I don't recall.

23 Q. Do you -- what is your recollection of the
24 agreement that you had between Schweickert and yourself
25 about you becoming an officer -- shareholder, I should

1 say -- 50 percent shareholder as of January 1st, 2011?

2 A. I don't recall.

3 Q. And do you know who prepared this document?

4 A. I do not know. I believe it was Steve, but I
5 do not know for sure.

6 Q. Do you think Steve would have had any
7 assistance in the preparation of the document?

8 MR. WEYTHMAN: Objection. Calls for
9 speculation. Lacks personal knowledge.

10 THE WITNESS: I don't know. Ask Steve.

11 Q. (BY MR. YURCHAK) I last just want to point
12 out, on page 3 of 4, in the very first paragraph, it
13 says:

14 "NOW, THEREFORE, BE IT RESOLVED, that the
15 Board hereby approves, adopts, ratifies, and
16 confirms all past actions taken by Steve
17 Schweickert as President, Vice President,
18 Secretary and Treasury" -- "Treasurer of the
19 Corporation from December 31, 2010 through
20 the date hereof."

21 According to this document, you were
22 appointed to the board of Hunts Point Ventures --
23 correct? -- as of -- well, according to the document,
24 you were appointed to the board of Hunts Point Ventures;
25 correct?

1 MR. WEYTHMAN: Objection. Calls for a
2 legal conclusion. The document speaks for itself.

3 THE WITNESS: Yes.

4 Q. (BY MR. YURCHAK) So --

5 A. Read the document.

6 Q. So you don't dispute this language in the
7 document that you ratify all actions of Steve
8 Schweickert taken since January 31st -- since
9 December 31st, 2010, in Hunts Point Ventures; is that
10 correct?

11 MR. WEYTHMAN: Do you understand the
12 question?

13 THE WITNESS: I don't understand the
14 question.

15 Q. (BY MR. YURCHAK) Your answer was that the
16 document speaks for itself, and I am --

17 MR. WEYTHMAN: Objection.
18 Mischaracterizes the witness's testimony.

19 Q. (BY MR. YURCHAK) And I'm making sure that I
20 understand your testimony so that it's clear for the
21 record, that you agree with the language written in that
22 paragraph that you, as a board member, ratify all
23 actions taken by Steve Schweickert in his capacity as --
24 as the president, vice president, secretary and
25 treasurer since December 31st, 2010.

1 A. If I'm not mistaken, Steve was the board, and
2 the board decided to make me a shareholder and made me
3 an officer. And the board, in the same document,
4 decided to ratify all of Steve Schweickert's actions
5 from December 31st, 2010, to the current date. And then
6 I -- it's resolved that I am confirmed and appointed as
7 president of -- of the company.

8 Q. Are you trying to say that you -- this
9 document does not reflect that you ratified his actions,
10 as a board member?

11 A. I don't know.

12 Q. You don't know?

13 A. Yeah. That's what I'm trying to say to you,
14 that I'm just reading the document.

15 Q. Is your testimony that the answer is in the
16 document? The document speaks for itself?

17 A. I don't understand what you're saying.
18 The -- read the document.

19 Q. What I'm asking is if your -- if you have any
20 other different understanding from what the document
21 says on its face.

22 MR. WEYTHMAN: Objection. Vague and
23 ambiguous.

24 THE WITNESS: I don't understand what
25 you're trying to get at.

1 Q. (BY MR. YURCHAK) Well, again, I asked you a
2 question with respect to that paragraph, that the board
3 approves, adopts, ratifies Steve Schweickert's actions
4 since December 31st. And I'm asking if that means that
5 you, in being appointed an officer, the president, and
6 50 percent shareholder of HPV, therefore agree with what
7 the face of document says, that you therefore ratified
8 Steve Schweickert's actions taken since December 31st,
9 2010?

10 A. What I'm saying is this document appoints me
11 as the shareholder, puts me on the board of directors,
12 makes me the president, but how can I be appointed and
13 have ratified in the same document what Steve had done
14 for years past?

15 Q. Because the document says so?

16 A. Maybe I don't understand the -- the language
17 of the document, but --

18 Q. Okay.

19 A. -- I don't understand.

20 Q. Do you have any concerns with how Steve
21 Schweickert managed Hunts Point Ventures since
22 December 31st, 2010?

23 MR. WEYTHMAN: Objection. Calls for a
24 narrative.

25 THE WITNESS: What are you -- can you be

1 more specific.

2 Q. (BY MR. YURCHAK) Is there anything in his
3 management since December 31st, 2010, that you disagree
4 with?

5 A. After being privy to documents and looking
6 back, the lack of management and the way some of the
7 money was spent that the corporation had was -- judgment
8 was questionable.

9 Q. Let's talk about your concern with his lack
10 of management. What do you see as a lack of management
11 in how he operated Hunts Point Ventures?

12 A. There was no organization. I was handed a
13 box of documents that was incomplete.

14 Q. How was the box of documents incomplete?

15 A. It was a hodgepodge of documents in a blue
16 plastic container.

17 Q. Did you have any other concerns with his lack
18 of management?

19 A. There was no accounting. There was -- it was
20 just kind of a mess.

21 Q. And what were your concerns with how money
22 had been spent?

23 A. There -- there didn't seem to be a whole lot
24 of documentation on, you know, fees for services for
25 ViaCam and other projects and things of that nature.

1 There was just no -- there was no accounting ledger.

2 There was no -- there was -- there was -- it was like it
3 had been shoved in a box and forgotten about.

4 Q. If we could jump back to Ms. Acheson, you
5 talked about delivering some items of Mark to her
6 residence; is that correct?

7 A. Yes.

8 Q. Was one of those items a laptop computer?

9 A. I don't recall.

10 Q. Do you recall there being any dispute over
11 two laptops and confusion?

12 A. Yes.

13 Q. And what was that about?

14 A. To the best of my recollection, Mark had a
15 laptop computer, and when he was arrested, I believe the
16 federal government had that laptop computer. Eileen
17 purchased him another laptop computer for him to use,
18 and if I remember correctly, it was -- it was almost the
19 same model. I mean, they were almost identical.

20 Q. Uh-huh.

21 A. What else do you --

22 Q. Did you say that the federal government took
23 possession of one of his computers?

24 A. I believe so. I'm not sure. But I remember
25 that for some reason she bought him a new laptop. I

1 don't remember exactly why.

2 Q. Okay.

3 A. I don't know if the federal government had it
4 or if his defense attorney had it or -- I don't remember
5 exactly where that computer was.

6 Q. Was there any issue with the power button on
7 that laptop?

8 MR. WEYTHMAN: Objection. Vague.
9 Ambiguous.

10 What laptop?

11 THE WITNESS: I don't know which one had
12 the problem with the power button, but I do remember a
13 power button being broken. I don't recall which one --
14 whether it was Mark's -- I don't recall -- original
15 computer or his one that Eileen bought him. I don't
16 remember which one was which.

17 Q. (BY MR. YURCHAK) Okay. Did you -- what was
18 your understanding about whose laptop with the broken
19 power button -- who that belonged to?

20 A. I don't know. It was either Mark or Eileen.

21 Q. Did you ever go on to that laptop to delete
22 any files?

23 A. No.

24 Q. Did Mr. Du Wors ever give you any direction
25 to delete information off of either of the two

1 laptops --

2 A. No.

3 Q. -- that was in your possession, despite you
4 not being able to remember which one of them belonged to
5 Mark?

6 A. No.

7 Q. Did you ever create a user account profile on
8 either of those two laptops?

9 A. No.

10 Pass the coffee.

11 MR. WEYTHMAN: That's a full pot.

12 THE WITNESS: Thank you.

13 (Discussion held off the record.)

14 MR. YURCHAK: I'm going to need a minute
15 to look through some documents; so --

16 THE WITNESS: Okay.

17 MR. YURCHAK: -- you want to take a
18 short break?

19 (Break taken from 1:49 to 1:55 p.m.)

20 MR. YURCHAK: If I could hand you --

21 (Exhibit No. 23 marked for
22 identification.)

23 THE COURT REPORTER: This is going to be
24 23.

25 Q. (BY MR. YURCHAK) Do you recognize this

1 document?

2 A. Let me just take a second to review it.

3 Yes, I -- I recognize this.

4 Q. Okay. And what do you recognize it to be?

5 A. A letter I wrote to Mark, or an email I wrote
6 to Mark, when he was in jail.

7 Q. Okay. So this is -- this is actually an
8 email?

9 A. I believe it was an email. I'm not sure if
10 it was an email or if it was a letter that I typed. I
11 don't recall.

12 Q. But you do recognize it as coming from you?

13 A. Yes.

14 Q. And the third paragraph there talks about a
15 laptop with a broken power button?

16 A. Uh-huh.

17 Q. Does that help refresh your recollection at
18 all as to which laptop that you had been in possession
19 of? I should say whose laptop you had been in
20 possession of.

21 A. I always assumed both of the laptops were
22 Mark's, but I knew Eileen had purchased one for him, but
23 they were -- it was Mark's laptop.

24 Q. Okay. And it mentions an angry text from
25 her. Do you recall having text messages with her --

1 A. I do.

2 Q. -- about the laptop issue?

3 A. I do.

4 Q. Did you save any of those text messages?

5 A. I went back and looked for them, and they
6 were on my phone several phones ago; so I don't have
7 those text messages anymore.

8 I remember her calling and wanting, you know,
9 a bunch of stuff to take up there. So I said, "Yeah,
10 you know what? I can get those up to you, but, you
11 know, it's going to have to wait until I can have access
12 to my wife's truck to take it up there."

13 And then she really wanted a laptop back, and
14 there was only one laptop in the house, and it was one
15 of the laptops -- it looked identical. I mean, the
16 laptops were identical. And so I remember driving it up
17 there to her, because she was throwing quite a hissy fit
18 about needing it for a class, and she was pissed off
19 because she bought that and paid \$2,000 for it or
20 whatever and it's hers.

21 So I was like, "I don't give a shit whose
22 laptop it is." And so I grabbed the laptop that was
23 there and took it up there.

24 Q. And you don't recall sending any text message
25 to her that you'd created a user profile for her?

1 A. No.

2 Q. And you didn't send any text message that you
3 deleted and backed up the files on the computer you were
4 delivering to her?

5 A. No. I don't recall doing that -- I don't
6 know how to do that.

7 Q. You don't know how to do what?

8 A. I -- you'd have to ask the administrator to
9 create a user profile, and I'm not the administrator on
10 that computer. I mean, I'm not the most tech-savvy
11 person there is.

12 Q. Sure. Would you have known how to back up
13 computer files on a CD?

14 A. You mean, like, copy them onto a CD?

15 Q. Yeah.

16 A. Yeah, I could probably do that.

17 Q. Okay. And did you have any conversations
18 with John Du Wors about that computer?

19 A. Not that I recall, no.

20 Q. That's all for that one.

21 If I could have that marked Exhibit 24.

22 (Exhibit No. 24 marked for
23 identification.)

24 Q. (BY MR. YURCHAK) If you could take a minute
25 to review --

1 A. Is it this one?

2 Q. -- Exhibit 24.

3 A. Okay.

4 Q. All right. So what do you recognize this
5 exhibit to be?

6 A. A letter to Mark.

7 Q. And do you recall this letter to Mark?

8 A. No.

9 Q. Do you recall writing it?

10 A. No.

11 Q. Did you review the letter during the --

12 A. Just now.

13 Q. And after reviewing it, does it refresh your
14 recollection as to the information that you wrote about
15 or that was written about in the letter?

16 A. Yes. A little bit.

17 Q. Okay. And do you notice the date on the
18 letter?

19 A. 31st of May 2012.

20 Q. Does this appear to be a letter that you
21 would have written?

22 A. Yes.

23 Q. And does it appear altered or changed in any
24 way from the original letter, as you recall it?

25 A. I couldn't tell you that.

1 Q. And in the third paragraph, you mention that
2 "Steve is in dire straits." What did you mean by that?

3 MR. WEYTHMAN: Objection. Lacks
4 foundation.

5 THE WITNESS: He --

6 MR. WEYTHMAN: You haven't established
7 that he drafted the letter.

8 MR. YURCHAK: I thought he said he
9 didn't recall.

10 Q. (BY MR. YURCHAK) Do you recall writing this
11 letter?

12 A. No.

13 Q. So the letter references that "Steve is in
14 dire straits," in paragraph 3. Was there any period of
15 time around May of 2012 where Steve wasn't doing too
16 well?

17 MR. WEYTHMAN: Objection. Vague and
18 ambiguous.

19 THE WITNESS: He was -- I'm trying -- he
20 was going through a hard time with Joyce.

21 Q. (BY MR. YURCHAK) Okay. Was there any other
22 difficulty that he was facing?

23 A. May 2012 -- yeah. I mean, she'd kicked him
24 out of the house.

25 Q. And what do you remember about his situation,

1 living situation?

2 A. He was -- if I remember correctly, he was
3 living at his daughter's house and then maybe his
4 girlfriend's house sometimes. Just -- he was kind of
5 couch surfing, if you will.

6 Q. And what was his frame of mind, if you can
7 recollect, in that period of time?

8 MR. WEYTHMAN: Objection. Calls for
9 speculation. Lack of foundation and personal knowledge.

10 THE WITNESS: I don't know.

11 MR. YURCHAK: Okay. If I can have that
12 marked.

13 (Exhibit No. 25 marked for
14 identification.)

15 THE COURT REPORTER: Exhibit 25.

16 Q. (BY MR. YURCHAK) Exhibit 25. After you've
17 reviewed it, do you have any idea of what this document
18 is?

19 A. This looks like a patent contract to --
20 Contingent Fee Agreement with the Mann Law Group for
21 patent --

22 Q. Do you --

23 A. -- patent litigation.

24 Q. Okay. And do you have any recollection of
25 having any discussion with Mark about this --

1 A. No.

2 Q. -- fee agreement?

3 A. No.

4 Q. Any recollection with him about the Mann Law
5 Group?

6 A. I'd heard of them before, and I know Mark
7 talked a lot about them, but I don't recall much
8 about -- I recognize Whitaker and the Mann Law Group. I
9 think Philip Mann was the gentleman's name.

10 Q. Do you recollect any conversations with Mark
11 regarding direction in terms of the use of the Mann Law
12 Group to pursue his IP -- violations of his IP?

13 MR. WEYTHMAN: Objection. Vague.

14 THE WITNESS: Can you clarify for me a
15 little bit.

16 Q. (BY MR. YURCHAK) Do you recall any
17 conversations with Mark regarding using -- the use of
18 the Mann Law Group for patent violations on his IP?

19 A. No. I don't recall. I -- if I -- what I
20 vaguely remember is that these attorneys were the ones
21 that helped him, I think, write -- maybe that's Olympic
22 Patent Works. That's a different group. Somebody that
23 were the lawyers that helped him write the patents. I
24 don't recall.

25 Q. Any recollection of seeking his direction for

1 using Mann Law Group in the Hunts Point Ventures entity?

2 A. No. I'm not sure, yeah.

3 MR. YURCHAK: If I could have that
4 marked as Exhibit 26.

5 (Exhibit No. 26 marked for
6 identification.)

7 Q. (BY MR. YURCHAK) Do you recognize the
8 handwriting in Exhibit 26?

9 A. Yes.

10 Q. And whose handwriting do you recognize that
11 to be?

12 A. The top part appears to be mine.

13 Q. And could you read what you mean by "the top
14 part."

15 A. It says "permission from Mark to Mann Group
16 for HPV."

17 Q. And you're saying that's the part that
18 appears to be in your handwriting?

19 A. Yes.

20 Q. Do you have any recollection of writing that?

21 A. I don't. It looks like extemporaneous notes
22 of some sort.

23 Q. Do you recollect why you would have asked
24 Mark's permission for the Mann Group for HPV?

25 A. I don't recall specifically why. I believe

1 on here that John Whitaker worked for Newman &
2 Du Wors -- was part of Newman & Du Wors. I don't --
3 that's -- I don't recall the specifics about the Mann
4 Law Group, Mann Group, Mann whatever.

5 Q. Do you have any recollection about when you
6 may have written this?

7 A. No.

8 Q. And which firm ultimately ended up doing the
9 patent violations?

10 A. Newman & Du Wors.

11 MR. WEYTHMAN: Objection. Vague and
12 ambiguous.

13 Q. (BY MR. YURCHAK) And when did they -- when
14 were they retained, if you recollect, to do the patent
15 violation work?

16 A. I don't recall.

17 Q. How were they retained?

18 A. I don't know.

19 Q. Did you have any involvement in retaining
20 Newman & Du Wors for patent violations and HPV?

21 A. Not that I recall.

22 Q. Do you recall if you were an officer of HPV
23 at the time that Newman & Du Wors was retained for
24 patent violations?

25 A. Can you clarify that.

1 Q. Were you an officer at the time -- of HPV at
2 the time Newman & Du Wors was retained to do patent
3 violations?

4 A. At the time they were retained? No, I was
5 not.

6 Q. Now, would you agree that, by 2011, your --
7 the Power of Attorney -- the general Power of Attorney
8 would have been terminated by that point?

9 A. Would I agree that my -- the general
10 Power of Attorney that Mark had given me was terminated
11 at that point?

12 Q. That's correct.

13 A. Yes.

14 Q. Is it then fair to say that you would not
15 have been taking -- doing any actions for the benefit of
16 Mark Phillips -- let me strike that.

17 Did you ever take any actions for the benefit
18 of Mark Phillips with respect to the Hunts Point
19 Ventures entity?

20 MR. WEYTHMAN: Objection. Vague.
21 Ambiguous.

22 THE WITNESS: I -- can you clarify that
23 for me.

24 In 2011, I was dealing with my daughter
25 dying. I was not doing anything on behalf of Mark

1 Phillips. I was trying to survive for my family.

2 Q. (BY MR. YURCHAK) Did you ever take any
3 involvement -- did you ever take any actions with
4 respect to Mark Phillips and the Hunts Point Ventures
5 entity on his behalf?

6 A. Not that I recall, no.

7 Q. And what is your position on what Mark
8 Phillips' role was in the Hunts Point Ventures entity?

9 A. Initially, the idea behind setting up Hunts
10 Point Ventures was to move forward and litigate patents,
11 intellectual property. And the idea was to have Mark
12 act as a chief technology-type person, because he was a
13 horrible businessman but a brilliant software, creative
14 person. And --

15 Q. Did you understand that Mark Phillips was to
16 have -- to be a shareholder in Hunts Point Ventures?

17 A. I don't recall. That was Steve Schweickert's
18 venue.

19 Q. Okay. When we reviewed all of the emails
20 previously that you had been copied on regarding
21 subscription of shares and the setting up of Hunts Point
22 Ventures, does that refresh your recollection as to
23 whether Mark Phillips was to have a role in Hunts Point
24 Ventures?

25 MR. WEYTHMAN: Counsel, to which

1 exhibits are you referring to?

2 MR. YURCHAK: Well, we could go through
3 them and be more specific, but I'm just going to ask
4 generally.

5 MR. WEYTHMAN: Then objection. Vague
6 and ambiguous.

7 THE WITNESS: There was a lot of
8 intention for people -- for things to be set up, and
9 Steve Schweickert was in control of that. And I don't
10 know -- wasn't privy to conversations he had with Mark
11 Phillips or other parties. I was privy to the
12 conversations that he had with me, where he had stated
13 his intentions for what I have seen very little of what
14 Steve had intended actually took place. And --

15 Q. (BY MR. YURCHAK) Okay. I'm going to play an
16 audio clip off of my computer, and it's about
17 eight minutes long, and I'd just ask for you to listen
18 to it.

19 A. Sure.

20 Q. I'm also going to have -- I think it also
21 makes sense to introduce the next exhibit, which is a
22 transcript of what you're going to be listening to.

23 (Exhibit No. 27 marked for
24 identification.)

25 THE COURT REPORTER: That is Exhibit 27.

1 THE WITNESS: Okay.

2 (Audio clip played at 2:16 p.m.)

3 Q. (BY MR. YURCHAK) Are you able to hear the
4 audio?

5 A. Uh-huh.

6 (Audio clip played from 2:16 p.m. to
7 2:29 p.m.)

8 THE WITNESS: Can I ask you what -- the
9 purpose of playing that and having me relive that kind
10 of crap again? I mean, I don't see any relevance to
11 this stuff, and I think it's kind of in low taste on
12 your part. Seriously?

13 Q. (BY MR. YURCHAK) Yeah.

14 A. If you play that for my wife --

15 Q. Well, I'm --

16 A. No, Reed.

17 Q. I'm surprised that that's your reaction.

18 A. That was a low-life piece of shit to play.

19 Q. And why is that?

20 A. Because all it was was me talking about my
21 dying daughter. Have some fucking class.

22 Q. Well, you know, if I could -- if I could edit
23 out the parts --

24 A. There was nothing relevant to anything in
25 there.

1 Q. Well, we can discuss that.

2 MR. ARD: We're going to take a break.

3 THE COURT REPORTER: Off the record?

4 Counsel, off the record?

5 MR. YURCHAK: Yep.

6 (Break taken from 2:30 to 2:33 p.m.)

7 MR. WEYTHMAN: Counsel, I'd like to
8 advise you that anything pertaining to this document,
9 I'd like to keep it relevant. If you venture off on
10 anything that is irrelevant, we're going to instruct the
11 witness not to answer, and we're going to end the
12 deposition.

13 MR. YURCHAK: Fair enough.

14 And I did stop it a bit early, prior to the
15 end, because I thought we were just -- we were close to
16 the end. So I am going to hit "play."

17 (Audio clip played from 2:33 p.m. to
18 2:35 p.m.)

19 Q. (BY MR. YURCHAK) Now, on page 4 of the --
20 well, first of all, do you recognize the voices on that
21 audio clip?

22 A. Is that a stupid question?

23 Q. No. This is a part of what's called "laying
24 a foundation."

25 A. Yeah. It was me talking to Mark.

1 Q. And so you do recognize the voices?

2 A. Do you want me to say it in Chinese?

3 Q. If you can.

4 A. I'm being facetious.

5 Q. So was I.

6 But there was no mention of any time frame or
7 date as you were talking. Do you have any recollection
8 of when that conversation may have occurred?

9 A. Probably in the winter of 2011.

10 Q. At the end of 2011?

11 A. No. My daughter was just, I think, finishing
12 up radiation; so I would say it was probably
13 end-of-January time frame, 2011.

14 Q. As you were -- okay. As you were listening
15 to the audio clip, were you following along with the
16 written transcript?

17 A. A little bit.

18 Q. Did it seem, in the little bit that you were
19 following, that the written transcript reflected what
20 was -- what you were hearing?

21 A. What I heard was me kind of shining Mark on
22 because I had more important shit going on in my life
23 than dealing with his crap and wanting to sue everybody
24 under the sun.

25 Q. Okay. So in what way were you shining him

1 on?

2 A. "Yeah. Yeah. This is what they're doing."

3 I wasn't paying attention to HPV at this
4 point. Okay? You heard me state in here I was getting
5 up every morning -- we just finished in Seattle for
6 six weeks straight, five days a week of going in for
7 radiation therapy. Okay? I wasn't paying attention to
8 anything that was going on with your client. I didn't
9 care.

10 Q. I did want to ask you about some of the
11 statements that you did make during that phone
12 conversation.

13 A. Okay.

14 Q. Now, your recollection was this happened in
15 the beginning of 2011, not the end --

16 A. The date on your transcript here, if you can
17 read, says January 26th, 2011. That's when the date
18 was -- right? -- because that's what -- the Federal
19 Bureau of Prisons keeps their transcripts of a recorded
20 inmate call. So, yeah, why don't you read your own
21 document.

22 Q. So that seems accurate to you?

23 A. I don't think the Federal Bureau of Prisons
24 is going to lie.

25 Q. So on page 4, it states -- Mark asks you

1 [reading]:

2 Is everyone happy about the settlement?

3 And you say that [reading]:

4 Yeah. You did the right thing.

5 A. I don't recall.

6 Q. What settlement do you think Mark is
7 referring to?

8 A. I have no idea.

9 Q. When you answered "You did the right thing,"
10 what did you mean by that?

11 A. I don't recall.

12 Q. Mark then proceeds to say that he wants to
13 recognize you for protecting him and taking care of
14 corporate governance. What does "taking care of" -- and
15 your response is "Exactly."

16 What does "taking care of corporate
17 governance" mean?

18 A. I don't know.

19 Q. Do you think Mark was referring to Hunts
20 Point Ventures?

21 MR. WEYTHMAN: Objection. Speculation.

22 THE WITNESS: I don't know what he was
23 referring to. If you can tell in this conversation, I
24 was hardly listening to what he was saying.

25 Q. (BY MR. YURCHAK) That's your -- that's your

1 impression?

2 A. Yeah.

3 Q. Okay.

4 A. Look at it. Read it. Listen to it again, if
5 you want to.

6 Q. And what do you take it to mean when Mark
7 asks you to protect him --

8 MR. WEYTHMAN: Objection. Speculation.

9 Q. (BY MR. YURCHAK) -- and you said, "Exactly"?

10 A. I don't recall. You know, I don't recall. I
11 was dealing with something else bigger than he'll ever
12 have to deal with in his life. Okay?

13 Do you want to continue down this line? Is
14 this all you got?

15 Q. Yeah. I have some more questions.

16 Why do you think Mark would be asking about
17 you helping him to take care of corporate governance?

18 MR. WEYTHMAN: Objection. Calls for
19 speculation.

20 THE WITNESS: I don't know.

21 Q. (BY MR. YURCHAK) Was Mark asking you to take
22 care -- does it appear to you as if you were still
23 operating in a fiduciary capacity given your answer of
24 "Exactly" when Mark asked you to take care of him,
25 protect him, and shield him?

1 MR. WEYTHMAN: Objection. Calls for a
2 legal conclusion. Calls for speculation.

3 THE WITNESS: No. I don't recall. I
4 don't --

5 Q. (BY MR. YURCHAK) Why does Mark -- why is
6 Mark talking to you about you guys taking care of -- of
7 helping him with Robert Arnold and holding Robert Arnold
8 accountable?

9 MR. WEYTHMAN: Objection. Calls for
10 speculation.

11 THE WITNESS: I don't know. Ask him.
12 You do know your client has a \$4.1 million
13 judgment against him by Robert Arnold; right? Yeah.

14 Q. (BY MR. YURCHAK) Uh-huh.

15 A. Okay. Just wanted to make sure you knew
16 that.

17 Q. Right. And he's asking you for help with
18 respect to Robert Arnold. Why would he be asking you
19 for help?

20 MR. WEYTHMAN: Asked and answered.
21 Speculation. Same objections.

22 THE WITNESS: I don't know. He was
23 asking everybody and anybody for help.

24 Q. (BY MR. YURCHAK) Is your testimony that you
25 were not involved in any way with helping Mr. Phillips

1 with respect to Robert Arnold?

2 A. I don't recall if I helped him with Robert
3 Arnold. I was dealing with my daughter that had an
4 inoperable brain tumor. My daughter couldn't walk at
5 the time. I wasn't paying -- how many times do I have
6 to tell you that I wasn't paying attention to what the
7 hell was going on with Mark Phillips at this time?
8 Okay? He had attorneys working for him and everything
9 else. I was dealing with my family.

10 Q. Was the Hunts Point Venture entity set up to
11 protect Mark with respect to civil litigation?

12 A. I don't know. Ask Steve Schweickert. He was
13 Hunts Point Ventures.

14 Q. When Mark says on page 5 that he's seeking
15 your help to get back to work so that "we can outdo MOD
16 and out do NCR in two...or three years," who do you
17 interpret "we" to mean?

18 A. I don't --

19 MR. WEYTHMAN: Objection. Calls for
20 speculation.

21 THE WITNESS: I don't know.

22 Q. (BY MR. YURCHAK) Was "we" in reference to
23 you and him?

24 A. I was going to get chicken wings.

25 Q. Was "we" in reference to you and him?

1 A. I don't know what "we" was in reference to.

2 Q. Why did you answer that "that's what we are
3 here to do"?

4 A. I don't recall. I don't even recall having
5 this phone call with Mark.

6 Q. And your answer of "that's why we are" --
7 "what we are here to do, to protect you," et cetera --

8 MR. WEYTHMAN: Objection. Facts not in
9 the record. That's not what it says.

10 Q. (BY MR. YURCHAK) -- which -- which "we" were
11 you referring to?

12 A. I don't recall. I don't know what you're
13 talking about.

14 Q. I'm talking about your statement where it
15 says "that's what we" --

16 A. And I've told you --

17 THE COURT REPORTER: One at a time.

18 THE WITNESS: -- over and over again, to
19 the same question, I don't know.

20 Q. (BY MR. YURCHAK) It hasn't been the same
21 question. Hopefully, I've been asking different
22 questions.

23 Now, you make the statement on page 14 that
24 you have his back no matter what happens. Why did you
25 make that statement?

1 A. I don't know. I don't recall.

2 Q. Were you aware at the time that Mark Phillips
3 didn't have shares in Hunts Point Ventures -- was not --
4 let me strike that.

5 Were you aware at the time of this phone call
6 that Mark Phillips was not recognized at having shares
7 in Hunts Point Ventures?

8 A. I told you I don't recall this phone call;
9 so, therefore, I don't recall whether or not Mark
10 Phillips had shares in Hunts Point Ventures.

11 Q. And what did you mean when you said that you
12 "have your back no matter what"?

13 A. At the time, I considered Mark a friend, and
14 friends do things like take them into their house and
15 provide a place for them and drive them over to
16 piss tests to make sure -- while he's being released on
17 an ankle monitor and buy cigarettes and buy groceries
18 and do things for him, answer the phone when no one else
19 will answer the phone because everybody else got smart
20 and left him beforehand. And maybe I was a little slow
21 on the uptake on that. That's what friends do.

22 Q. On the next page, Mark has a discussion with
23 you about the attorneys' strategy with respect to suing
24 on the patents. You respond that they're doing
25 research, "the best people to go after, the low-hanging

1 fruit...start hitting those folks first."

2 Do you recall where you acquired that sense
3 of what the attorneys were doing with respect to suing
4 the patents?

5 MR. WEYTHMAN: Objection. Vague.
6 Ambiguous.

7 THE WITNESS: I don't recall.

8 Q. (BY MR. YURCHAK) Does it seem to -- does
9 your statement seem to reflect that you had some
10 knowledge as to what the attorneys were doing?

11 A. I don't recall where I -- where that came
12 from. I mean, there was emails going around, and I
13 wasn't meeting with attorneys. I was meeting with
14 radiologists and oncologists. So I -- once again, Reed,
15 you're barking up the wrong tree, because during this
16 time frame, I was pretty much preoccupied.

17 Q. Well, I understand -- I understand that.

18 A. You seem to be a little thick about it.

19 Q. Well, maybe I'm a little thick but --

20 A. Yeah, you are a little thick. Why don't
21 you --

22 Q. -- because of -- only because of a
23 statement --

24 A. What are you asking? The statement -- what
25 are you asking in here? I'm blowing Mark off and going

1 to get chicken wings.

2 Q. That you have knowledge of the attorneys'
3 strategy. Which attorney --

4 THE COURT REPORTER: I need one at a
5 time; otherwise, I can't get it.

6 THE WITNESS: Jesus Christ.

7 Q. (BY MR. YURCHAK) So which attorney did you
8 obtain that knowledge from?

9 A. I don't recall.

10 Q. Why would you be having discussions with
11 attorneys regarding suing on the patents when, as you
12 described, you have much better things to attend to --

13 A. I never said I was having discussions with
14 attorneys. Stop putting words in my mouth.

15 Q. Which attorneys do you recall were the ones
16 who were going after the patent violations?

17 A. I don't recall at that time. All the
18 attorneys I ever heard about were working on his
19 criminal defense.

20 Q. Were you involved in any way with the
21 attorneys at that time of this phone call with the
22 patent violations?

23 A. No. I told you I was involved with
24 neuro-oncologists and radiologists at the time.

25 Q. Do you recall any discussions with David

1 Bukey?

2 A. No. That was Mark's attorney, Mark's
3 criminal attorney.

4 Q. Do you recall any discussions with Du Wors
5 about David Bukey?

6 A. Not that I recall, no.

7 Q. Do you recall David Bukey ever requesting
8 that HPV take care of his criminal bill --

9 A. Yes.

10 Q. -- for services to Mark?

11 A. Yes, I do recall David Bukey wanting money.

12 Q. Okay. And when --

13 A. I don't know.

14 Q. -- was that conversation?

15 Was that conversation with you and David
16 Bukey?

17 A. I don't remember when it was.

18 Q. And what was the response --

19 MR. WEYTHMAN: You okay?

20 MR. YURCHAK: Yeah. Just some
21 indigestion.

22 Q. (BY MR. YURCHAK) What was the response to
23 Mr. Bukey upon his request to be paid by HPV?

24 A. I don't know.

25 Q. You've said you did recall --

1 A. I recall chitchat going around about David
2 Bukey wanting money from HPV.

3 Q. You were also aware in the phone call of the
4 contingency fee agreement for the attorneys. You said
5 it's 40 percent; is that correct?

6 A. Yes.

7 Q. How were you aware of that?

8 A. I had heard from Steve -- Steve was handling
9 all this -- that that's what he had set up with the
10 attorneys.

11 Q. How was it your understanding that HPV
12 acquired the intellectual property it now holds?

13 A. It's my understanding that Mark sold the
14 intellectual property to Hunts Point Ventures.

15 Q. When that occurred, are you aware of what
16 Mark Phillips was owed from that settlement agreement?

17 MR. WEYTHMAN: Objection.
18 Argumentative.

19 THE WITNESS: I don't understand.

20 Q. (BY MR. YURCHAK) When that settlement
21 occurred, are you aware of what, in the -- its terms and
22 provisions, what Mark was owed under that settlement
23 agreement?

24 MR. WEYTHMAN: Objection. Assumes facts
25 not in the record, because there's no mention of a

1 settlement.

2 THE WITNESS: I don't know what
3 settlement you're talking about.

4 Q. (BY MR. YURCHAK) Are you aware of the terms
5 and conditions of the settlement in which the
6 intellectual property was sold to Hunts Point Ventures?

7 MR. WEYTHMAN: Objection. Assumes facts
8 in the record. Foundation.

9 THE WITNESS: I am not sure what
10 settlement you're talking about.

11 Q. (BY MR. YURCHAK) Are you aware of any
12 settlement in which -- that occurred in order to
13 facilitate the transfer of the intellectual property
14 into Hunts Point Ventures?

15 A. I'm aware of a purchase and sale.

16 Q. In the transcript, on page 4, it references a
17 settlement. And you said -- Mark asks how do people
18 feel about the settlement, and you said "You did the
19 right thing."

20 Have you --

21 A. Oh.

22 Q. -- forgotten terms of the settlement?

23 A. I never knew the specific terms of the
24 settlement, but I do remember that Mark represented,
25 when he sold Hunts Point Ventures the intellectual

1 property, that it was free and clear. And then Steve
2 came to find out that there was a licensing agreement
3 with MOD Systems that Steve then had to unwind and ended
4 up in a settlement with Mark. I was not privy to that
5 information. I knew the top-line gist of what it was,
6 not the -- the ins and outs of it all.

7 MR. YURCHAK: Can I have that marked.

8 (Exhibit No. 28 marked for
9 identification.)

10 THE COURT REPORTER: Exhibit 28.

11 Q. (BY MR. YURCHAK) Do you recognize the
12 exhibit that's been placed before you?

13 A. Yes.

14 Q. It's a court filing. I won't get into the
15 foundation of it. On the page -- well, it's not
16 numbered -- the second-to-last page, subsection ii-1,
17 does that statement there -- first of all, if I could
18 refer you to the third-to-the-last page, what do you
19 recognize this document to be that we're looking at?

20 A. End of Schedule A.

21 Q. And Schedule B is what?

22 A. So Schedule B is a List of Potential
23 Property.

24 Q. In what?

25 A. It doesn't say.

1 Q. Would it be in Hunts Point Ventures --

2 A. Oh, Hunts Point Ventures, Inc.,
3 Schedule B-List of Potential Property.

4 Q. So you list in this schedule, going back to
5 the second-to-the-last page, subsection ii, that there's
6 a potential breach of warranty claim in the amount of
7 \$300,000.

8 Is the description noted there -- is that the
9 same thing that you were talking about a minute ago with
10 respect to the issue of title in the settlement of the
11 IP?

12 A. That deals with this same thing, yes, that
13 came up -- after Mark sold, you know, intellectual
14 property to Hunts Point Ventures, it was then discovered
15 that there was a -- what do you call it? -- a licensing
16 agreement with MOD Systems that prevented Hunts Point
17 Ventures from litigating the patents.

18 Q. And what is the \$300,000 in reference to?

19 A. I believe it was money that was spent --
20 you'd have to ask Steve Schweickert exactly what
21 happened there, but I believe that was the amount that
22 they pulled out of the documents that showed what was
23 spent trying to negotiate and -- with MOD Systems to
24 free up the patents so that HPV could actually do
25 something with them.

1 Q. Well, I'm afraid I can't ask Steve
2 Schweickert because, on the last page, this is signed by
3 you and Elizabeth. You are corporate officers of --

4 A. Yeah.

5 Q. -- HPV?

6 A. But at the time, the person who did that work
7 and did that settlement with MOD Systems was Steve
8 Schweickert.

9 Q. Are you saying that you would have no
10 knowledge of it because at the time Steve Schweickert
11 was the person involved?

12 A. Yes. I did not have knowledge of that. I
13 never read that document.

14 Q. Have you looked through the corporate records
15 of HPV to gain a better understanding of what --

16 A. That is something that Steve did not pass on
17 to HPV in the box of stuff that he passed on to me.

18 Q. Do you have any -- is it your representation
19 on behalf of HPV that \$300,000 was spent to clear title?

20 A. To answer roughly, what was spent on
21 attorneys that do that.

22 Q. Do --

23 A. I'd have to go back and look at the
24 documents.

25 Q. Is the -- is the \$300,000 reflected in the

1 financial records of Hunts Point Ventures?

2 A. I'd have to go back and look, because like I
3 said, there was no financial ledger that was kept at
4 that time.

5 Q. Did -- is it your representation that Hunts
6 Point Ventures spent \$300,000 to clear title?

7 A. Yes.

8 Q. Do you know whose money was spent? Bad
9 question. Strike it.

10 Do you know who the \$300,000 was spent on?

11 A. Attorneys.

12 Q. Do you know which attorneys?

13 A. I believe Newman & Du Wors.

14 Q. Do you know where the \$300,000 came from?

15 A. Investors within Hunts Point Ventures.

16 Q. Do you know which investors?

17 A. No.

18 Q. Is it your understanding that John Du Wors
19 was involved in that settlement?

20 A. Yes.

21 Q. And what is your understanding about what
22 period of time John Du Wors was an attorney for Mark
23 Phillips?

24 MR. WEYTHMAN: Objection. Vague.

25 THE WITNESS: I don't know.

1 Q. (BY MR. YURCHAK) Are you aware that
2 Mr. Du Wors was Mr. Phillips' criminal attorney?

3 A. I'm aware that Mr. Du Wors assisted Pete Mair
4 in Mark's criminal defense, yes.

5 Q. Are you aware if Mr. Du Wors acted as
6 Mr. Phillips' civil attorney in any matters?

7 A. I don't recall if he represented Mark. Mark
8 had a lot of different attorneys in civil matters, and I
9 don't recall if Mr. Du Wors represented Mark personally
10 or not.

11 Q. Do you recall if Hunts Point Ventures was set
12 up to pay for the legal costs associated with Mark
13 Phillips' litigation?

14 MR. WEYTHMAN: Objection. Speculation.
15 Lacks personal knowledge.

16 THE WITNESS: No.

17 Q. (BY MR. YURCHAK) No?

18 A. (No audible response.)

19 Q. Did you ever have any meeting with John
20 Du Wors regarding Mr. Phillips' criminal case?

21 A. Not that I recall.

22 Q. Did you ever have any meeting with him --
23 with John Du Wors regarding Mr. Phillips' civil cases?

24 A. Not that I recall.

25 Q. Do you recall if Mr. Du Wors ever asked you

1 to take any action on behalf of Mr. Phillips with
2 respect to his criminal case?

3 A. Not that I recall.

4 Q. With respect to any civil case?

5 A. Not that I recall, no.

6 Q. Did you ever have any conversations with
7 Mr. Du Wors regarding the -- either the general
8 Power of Attorney or special Power of Attorney between
9 Mr. Phillips and you?

10 A. Not that I recall.

11 Q. Did Mr. Du Wors ever tell you that he was not
12 Mr. Phillips' attorney?

13 A. Not that I recall, no.

14 Q. Do you recall any conversation with
15 Mr. Du Wors regarding the amended Articles of
16 Incorporation of Hunts Point Ventures?

17 A. Not that I recall, no.

18 Can I take a bathroom break real quick?

19 Q. Yeah. If you want to take 10, 15 minutes, I
20 can organize my thoughts and close this out.

21 A. I don't need that long.

22 Q. I know. But --

23 MR. WEYTHMAN: That's fine.

24 MR. YURCHAK: Just asking if you want to
25 take a --

1 MR. WEYTHMAN: That's fine.

2 (Break taken from 3:00 to 3:06 p.m.)

3 (Exhibit No. 29 marked for
4 identification.)

5 THE COURT REPORTER: Exhibit 29.

6 THE WITNESS: Thank you.

7 Q. (BY MR. YURCHAK) So, again, we're going
8 through the usual questions. What do you recognize this
9 document to be?

10 A. An email.

11 Q. And who is it from?

12 A. Mark Phillips.

13 Q. And do you recognize the email address from
14 Mark Phillips?

15 A. It was one of many that Mark used, I think.

16 Q. And do you recognize your email?

17 A. Yes.

18 Q. And we were just talking about the settlement
19 agreement and the -- whether title was clear or not. Do
20 you recall receiving this email?

21 A. Let me read it first. Then I'll tell you,
22 but I don't think I recall receiving this email.

23 I don't recall this email specifically, no.

24 Q. Okay. Do you have any understanding as to
25 why Mark would have emailed you directly regarding the

1 licensing agreements with MOD?

2 A. Evidently, he thought this may be interesting
3 to provide to John Du Wors.

4 Q. And why do you think he emailed you directly
5 about it?

6 MR. WEYTHMAN: Objection. Calls for
7 speculation.

8 THE WITNESS: I don't know. Steve
9 Schweickert's also in here too.

10 Q. (BY MR. YURCHAK) And this email concerns
11 his -- the licensing rights to his IP there in the first
12 sentence.

13 Do you see the date on this email?

14 A. Yes.

15 Q. And June 14, 2010; is that correct?

16 A. It appears so.

17 Q. Do you recall any discussions with Mark about
18 the licensing of his IP?

19 A. No.

20 Q. And you don't know why Mark would have
21 written to you directly?

22 A. I don't know why. I don't recall. I -- I
23 know Mark had all kinds of licenses -- if I recall
24 correctly, the litigation, Mark had all kinds of
25 licenses and stuff with MOD and another company called

1 AnythingBox, and there was -- it was way more
2 complicated than I was able to understand.

3 Q. Okay. Fair enough.

4 (Exhibit No. 30 marked for
5 identification.)

6 THE COURT REPORTER: Exhibit 30.

7 Q. (BY MR. YURCHAK) So what do you recognize
8 Exhibit 30 to be?

9 A. An email.

10 Q. And do you recognize the "From" email address
11 as being from Steve Schweickert?

12 A. Yes.

13 Q. And do you recognize your email address there
14 in the "To" line?

15 A. Yes.

16 Q. And do you recall receipt of this email?

17 A. I don't recall receipt of this email.

18 Q. Do you recall the information in this email?

19 A. Yes.

20 Q. And what do you recall about it?

21 A. What do I recall about it? I recall Doug
22 Lower asking -- asking me, "Hey, I need some money," and
23 asking Steve, you know, for money. And we had
24 conversations around that.

25 And at the time, I had Mark coming to live at

1 my house, and my wife had quit her job so that I could
2 help Mark out because of -- the times while she was at
3 work, I would stay home with the children, and we lost
4 about \$2,000 worth of income. And so when Doug had
5 brought up getting money, I was like, "Well," you know,
6 "I only need a little bit to help offset what my wife
7 had given up and also now supporting Mark."

8 And Doug decided he needed \$8,000. And I
9 said, "Well" -- you know, I went home with Elizabeth and
10 talked to her and figured that \$2,000 for a month would
11 help offset the expenses.

12 Q. Okay. And was there any documents produced
13 regarding the payment -- the disbursement to you of
14 \$2,000 from Hunts Point Ventures?

15 MR. WEYTHMAN: Objection. Ambiguous.

16 What do you mean by "produced"?

17 Q. (BY MR. YURCHAK) Were there any documents
18 produced to document this transaction of 2,000 -- of
19 this \$2,000 disbursement to you?

20 A. Isn't that what this is?

21 Q. Were there any corporate documents that were
22 produced?

23 A. Not that I'm aware of.

24 Q. Was there any loan document that was made?

25 A. Not that I'm aware of.

1 Q. Do you recall signing anything with respect
2 to the receipt of the \$2,000?

3 A. No.

4 Q. Do you recall how Hunts Point Ventures has
5 booked this transaction?

6 A. I believe it was an advance on future
7 earnings when in fact we did become shareholders.

8 Q. And so this happened on May 28, 2010;
9 correct?

10 A. Yes.

11 Q. So was it your understanding at that early
12 time that you were to be a shareholder?

13 A. At some point in time, yes.

14 Q. And your understanding of that came from who?

15 A. Steve Schweickert.

16 MR. YURCHAK: Okay. I'm going to hand
17 forward another document.

18 THE WITNESS: You know, Reed --
19 (Exhibit No. 31 marked for
20 identification.)

21 THE COURT REPORTER: Wait, wait, wait.
22 Exhibit 31.

23 THE WITNESS: Okay.

24 THE COURT REPORTER: Go ahead.

25 THE WITNESS: Never mind.

1 Oh, I'd like to read this. I've never seen
2 this before.

3 Q. (BY MR. YURCHAK) Have you ever seen this
4 document before?

5 A. No.

6 Q. Would it -- if I were to say that it was
7 provided by you to the receiver in Hunts Point Ventures,
8 would that be news to you?

9 A. Yes.

10 Q. As far as you're aware, has this document
11 ever been in your possession at any point in time?

12 A. No. I don't recall this document.

13 Q. Did you ever receive documents from John
14 Du Wors regarding his representation of -- let me
15 rephrase that.

16 Have you ever received documents regarding
17 communications between Mr. Du Wors and Mr. Phillips in
18 his representation of Mr. Phillips?

19 A. No. I don't recall receiving documents.
20 It's very interesting reading, though.

21 (Exhibit No. 32 marked for
22 identification.)

23 THE COURT REPORTER: Exhibit 32.

24 Q. (BY MR. YURCHAK) Do you have any explanation
25 for how the receiver may have come into possession of

1 that document?

2 A. No.

3 Q. Okay. Moving on to Exhibit 32, again, what
4 do you recognize this document to be?

5 A. It's an email.

6 Q. And it's an email from Steve Schweickert;
7 correct?

8 A. Yes.

9 Q. And you recognize his email address, and who
10 is it sent to?

11 A. To John Du Wors.

12 Q. Do you recognize his email address?

13 A. Yes.

14 Q. Is that his correct email address?

15 A. He -- one of a couple, yeah.

16 Q. And have you been copied on that email?

17 A. It looks like I was copied on that email.

18 Q. And I'll give you a moment to review it.

19 A. Uh-huh.

20 Q. You notice the date, June 11, 2010; correct?

21 A. Uh-huh.

22 Q. Do you recall receiving this email?

23 A. No.

24 Q. Do you recall the -- what the contents of
25 this email are about?

1 A. If I don't recall receiving the email, I
2 don't recall what the contents is about.

3 Q. Reading it now, it may refresh your
4 recollection as to what occurred.

5 A. It looks like we are going to John's office,
6 according to Steve, for a meeting.

7 Q. Do you recall ever going to John's office
8 for -- with Steve for a meeting?

9 A. Yes.

10 Q. Do you recall that happening around this
11 time frame in June of 2010?

12 A. No.

13 Q. You do recall -- okay.

14 Do you have any explanation why the email
15 says that "Chad is the vice president of hunts point" --
16 "hunts point ventures"?

17 MR. WEYTHMAN: Objection. Calls for
18 speculation. Personal knowledge.

19 THE WITNESS: Ask Steve.

20 Q. (BY MR. YURCHAK) Did you have any
21 conversations with Steve about you being the
22 vice president of Hunts Point Ventures?

23 A. I don't recall.

24 MR. WEYTHMAN: Thanks.

25 (Exhibit No. 33 marked for

1 identification.)

2 THE COURT REPORTER: Exhibit 33.

3 Q. (BY MR. YURCHAK) Do you recognize the
4 document that's been placed in front of you?

5 A. Not yet.

6 Q. I'll give you time to review it.

7 A. Okay. What was your question?

8 Q. Do you recognize that document?

9 A. Sort of, yes.

10 Q. And what do you mean by "Sort of, yes"?

11 A. It looks like some of the formation documents
12 of Hunts Point Ventures.

13 Q. Did you ever have occasion to view this
14 document prior to today?

15 A. I don't recall specifically, but I think I've
16 seen this before.

17 Q. And would this be a document that would be
18 kept in the ordinary business of Hunts Point Ventures?

19 A. Evidently, yes, it should be.

20 Q. Is this a document that you recall keeping in
21 the corporate records of Hunts Point Ventures?

22 A. I don't recall if this was turned over by
23 Steve or not.

24 Q. Okay.

25 A. I think it may have been, but I'm not sure.

1 Q. Okay.

2 MR. WEYTHMAN: Thanks.

3 (Exhibit No. 34 marked for
4 identification.)

5 THE COURT REPORTER: Exhibit 34.

6 THE WITNESS: Thank you.

7 MR. YURCHAK: Mark that one as well.

8 (Exhibit No. 35 marked for
9 identification.)

10 THE COURT REPORTER: And 35.

11 THE WITNESS: Thank you.

12 Q. (BY MR. YURCHAK) So with Exhibit 35, do you
13 recognize the document in front of you?

14 A. 35, yes. That would be an email.

15 Q. And the email is from Mark Phillips?

16 A. Yes.

17 Q. Do you recognize his email address?

18 A. Yes.

19 Q. And you are included on the "To" line?

20 A. Yes.

21 Q. And you recognize your email address there?

22 A. Yes.

23 Q. And do you recall -- and the email was sent
24 on June 7, 2010; is that correct?

25 A. That's what it says.

1 Q. And do you recall the content of this email?

2 A. I -- I don't recall -- I saw this -- this,
3 actually, relatively recently, this -- these documents
4 here and this email, these here that you gave me.
5 Document 34 was part of Steve Schweickert's deposition.
6 So I just saw these recently, yes.

7 Q. So with respect to document 35, do you recall
8 receiving an email from Mark about liquidating accounts?

9 A. I don't recall this email specifically. I
10 think there was several hundred emails that were sent.

11 Q. Okay. Do you recall Mark ever asking you to
12 liquidate any of his financial accounts?

13 A. I recall Mark living at my house and asking
14 for help liquidating some of these accounts -- I think
15 most of them were education -- educational funds for his
16 nieces and nephews -- for the purpose of repaying funds
17 that Hunts Point Ventures had loaned him to pay. I
18 think the initial was \$10,000 to David Bukey and another
19 \$50,000 to David Bukey, and then I think there was some
20 funds to an architect or some -- of some sort.

21 Q. So what's the basis for the information that
22 it was to repay Hunts Point Ventures?

23 A. I think it's because Steve had told Mark, "We
24 can't continue to do this. This is not" -- "Hunts Point
25 Ventures is not your own piggy bank."

1 Q. And how do you know that Steve told Mark
2 that?

3 A. I just recall in conversations.

4 Q. Conversations with who?

5 A. Steve and Mark.

6 Q. So you said that Hunts Point Ventures had
7 loaned Mark money. Do you recall in what amounts it had
8 loaned Mark money?

9 A. I believe I saw just recently a check for
10 \$10,000 to David Bukey when Mark was arrested, and then
11 I remember hand delivering a check for \$50,000 for a
12 retainer to David Bukey for Mark's criminal defense.

13 Q. And where do you recall the money coming
14 from? What was the source of the money that HPV paid
15 for -- with respect to those two transactions, the
16 10,000 and the 50,000?

17 A. I'm sorry. Can you clarify what --

18 Q. Do you know what the source of that money
19 was?

20 A. That HPV had? It was from an investment by
21 Joyce Schweickert.

22 Q. And to be clear, when those accounts -- when
23 Mark's -- the money that came from Mark into HPV, what's
24 the basis of knowledge that that was to repay Hunts
25 Point Ventures?

1 A. Conversations and -- that he -- Mark would
2 repay Hunts Point Ventures because the money was going
3 out quickly and was not intended to pay for criminal
4 defense. It was intended to start doing business, and
5 instead Mark basically told everybody, "If you don't pay
6 this retainer, if you don't pay for all this stuff, I'm
7 going to take my IP and leave."

8 It should also be noted that this right here
9 is added after the fact. This little note right here
10 where Mark purports to say "Oh, you know, by the way,
11 proceeds to pay my new subscription of stock" is
12 fabricated after the fact by your client. And I can
13 prove that with a string of emails that we recently
14 discovered. When you open the documents up, they do not
15 in fact say that, these exact documents, including this
16 one with the writing up here. This is a false document.

17 Maybe you should talk to your client about
18 that. That's why I'm kind of suspect about all the
19 documents that you produced to me, because the veracity
20 of them is definitely in question, as has been shown by
21 the federal court and other state court things, that
22 Mark has a tendency to doctor, remove, exclude, or
23 produce documents as he sees fit. So if you want to
24 continue down that path --

25 Q. Yeah.

1 A. -- we can continue down that path, and you're
2 going to lose.

3 Q. So was Mark's IP in HPV at the time these
4 transactions were being made, the 50,000 going out to
5 his attorney --

6 A. No.

7 Q. -- his money coming in?

8 A. No.

9 Q. Okay. So why was HPV making those payments?

10 A. We had -- HPV had secured investment from
11 Joyce Schweickert on the promise of litigating the IP.
12 Mark was using that as leverage, because that's one of
13 his favorite things to do -- is leverage people.

14 Eventually, it got to the point where -- I
15 don't think you understand this, because there was a
16 little bit of confusion on your part about a settlement
17 with MOD Systems and a purchase and sale of the
18 intellectual property. Those are two different things,
19 or has your client not shown that to you? There was a
20 purchase and sale of the intellectual property from Mark
21 Phillips to Hunts Point Ventures.

22 Subsequently, when Hunts Point Ventures went
23 to enforce the intellectual property rights, lo and
24 behold, you couldn't do it because there was a licensing
25 agreement with MOD Systems that Hunts Point Ventures

1 then had to expend a substantial amount of cash to
2 unwind so they could hope to recoup the moneys that they
3 had borrowed from investors. Mark had conveniently left
4 that out when he signed that purchase and sale
5 agreement.

6 So maybe you should go do some homework and
7 look up and see the purchase and sale agreement that was
8 executed by Mark Phillips to Hunts Point Ventures and
9 signed by Steve Schweickert and Mark Phillips and then
10 the MOD settlement agreement as well that, I think, was
11 dated afterwards. It might answer some questions for
12 you.

13 Q. When do you recall the purchase and sale
14 agreement being executed?

15 A. I don't recall. Maybe in the fall of 2010,
16 fall/winter. I'm not sure.

17 I think, before you start grilling people on
18 stuff like this, you should get, in your own head, the
19 clear facts of what's going on.

20 Q. Part of a deposition is to get --

21 A. Well, you think you might have --

22 Q. -- the facts are --

23 THE COURT REPORTER: One at a time.

24 THE WITNESS: You think you might have
25 kind of an accurate road map to go by.

1 MR. WEYTHMAN: Let's just try to get
2 through it.

3 Q. (BY MR. YURCHAK) Are you aware of the
4 details in the purchase and sale agreement?

5 A. I can't recall. I might have to have them in
6 front of me.

7 Q. Do you recall if the purchase and sale
8 agreement had any terms which promised Mark any
9 payments?

10 A. Not that I'm aware of.

11 Q. Do you recall any conversations with Mark
12 regarding receipt of funds that he was owed under the
13 purchase and sale agreement?

14 A. I don't recall.

15 Q. You stated that Mark promised Hunts Point
16 Ventures that he would -- that, in exchange for the
17 money being spent -- or loaned, I should say -- to him,
18 that he would then put his intellectual property into
19 Hunts Point Ventures; is that correct?

20 MR. WEYTHMAN: Objection.
21 Mischaracterizes the witness's testimony.

22 THE WITNESS: That's not what I stated.

23 Q. (BY MR. YURCHAK) Did you not state that Mark
24 Phillips made promises to people and that's what he did
25 to gain leverage over others?

1 A. He did make promises to people, and that's
2 what he did to gain leverage over others, as I'm sure he
3 did you.

4 Q. Was one of those promises to sell his
5 intellectual property to Hunts Point Ventures?

6 A. No.

7 Q. What's your understanding, then, about how
8 his -- about -- about how Mark decided to sell his
9 intellectual property to Hunts Point Ventures?

10 A. It's my understanding from Steve that Hunts
11 Point Ventures was running out of money, had no assets
12 except for the promise that Mark Phillips would
13 participate with Hunts Point Ventures and his
14 intellectual property. And, therefore, Steve made the
15 judgment that Hunts Point Ventures could not, on good
16 conscience, move forward with paying money for Mark's
17 legal troubles without owning any assets, which they
18 hoped to recoup costs.

19 So Mark was going to be cut off and left at
20 the -- the public defender unless he had more money to
21 pay for it, and the only way he was going to get money
22 to pay for it was if somebody bought his intellectual
23 property.

24 Q. Okay. And was it your understanding that he
25 was selling his intellectual property to an entity to

1 which he was -- to which he belonged?

2 A. I don't know. Ask him.

3 Q. Does Hunts Point Ventures have any source
4 documents -- loans, contracts, anything of that
5 nature -- with respect to the money it spent on behalf
6 of Mark Phillips regarding the \$10,000 transaction and
7 the \$50,000 transaction that you mentioned?

8 A. Not that I'm aware of.

9 Q. Are you aware of who would have authorized
10 those expenditures?

11 MR. WEYTHMAN: Objection. Calls for
12 speculation.

13 THE WITNESS: I have an idea of who
14 authorized those expenditures.

15 Q. (BY MR. YURCHAK) And who do you think that
16 is?

17 A. Steve Schweickert. I think you've submitted
18 to me here in your -- here on Exhibit 33, it says the
19 "Organizational Meeting of Board of Directors," and it
20 lists Steve Schweickert and Joyce Schweickert as the
21 sole shareholders of the corporation as of May 5th,
22 2010.

23 Q. Okay. With respect to Exhibit -- was it
24 35? -- the one you -- the one behind it, the one you
25 refer to as -- this one.

1 A. Oh. The -- yeah. What about it?

2 Q. Now --

3 MR. WEYTHMAN: Can I see that. What
4 number is that?

5 THE WITNESS: Number 35.

6 MR. WEYTHMAN: It's actually 34.

7 MR. YURCHAK: Thank you. 34.

8 Q. (BY MR. YURCHAK) Do you recall receiving
9 this document from Mark Phillips?

10 A. No, I don't.

11 Q. In -- June 7, 2010, to the best of your
12 recollection, was Mark Phillips still at your residence?

13 A. Yes.

14 Q. And what would he -- what would he be
15 typically doing on any given day while at your
16 residence?

17 A. Either sleeping on the couch, writing a
18 qui tam complaint, or directing people off and about to
19 take care of different things and his conspiracy
20 theories and lawsuits that he had going on with MOD
21 Systems.

22 Q. Is -- was a transfer of these funds one of
23 those things he may have given you instruction to take
24 action on?

25 A. Yes.

1 Q. Do you recall being the agent who transferred
2 his funds from Mark Phillips' accounts to HPV?

3 A. No. I believe he did that, because he was
4 living in my house. There was no reason to do -- the
5 checks got mailed to my house.

6 Q. Could you describe how the funds were
7 transferred into HPV.

8 A. I gave them to Steve Schweickert in the form
9 of a check, and I believe he took them to Commerce Bank
10 and deposited them there, because that's where the HPV
11 bank account was.

12 Q. I'm looking for more particulars in how the
13 transfer of money -- from what account to what account.

14 So how did the money first come into your
15 possession?

16 A. It was never in my possession. It showed up
17 at my house in an envelope addressed to Mark Phillips.
18 It was a check.

19 Q. How -- it showed up as a check?

20 A. Yes.

21 Q. Was it one check?

22 A. No. There were multiple checks, because
23 there were multiple accounts.

24 Q. Who were the checks made out to?

25 A. Mark Phillips.

1 Q. And I assume the checks were from these
2 respective --

3 A. T. Rowe Price --

4 Q. -- accounts listed on the document?

5 A. Yes, as far as I know.

6 Q. And how were the checks endorsed?

7 A. I believe Mark Phillips endorsed it and I
8 drove him up to give them to Steve Schweickert.

9 Q. The checks, you said, were made out to Mark
10 Phillips?

11 A. I believe so.

12 Q. Do you have any understanding of how --

13 A. I don't recall if they were exactly, but I
14 believe so.

15 Q. Do you recall how the checks were deposited
16 into Hunts Point Ventures when they were made out to
17 Mark Phillips?

18 A. I don't -- I don't recall. I handed them
19 off.

20 Q. Okay. And with respect to the instructions
21 on the second page of Exhibit 34, do you have any
22 recollection of seeing -- of seeing this document in
23 June of 2010?

24 A. I don't have any recollection of seeing it in
25 June of 2010.

1 Q. Do you have any recollection of seeing the
2 first page of Exhibit 34 --

3 A. No.

4 Q. -- in June of 2010?

5 A. No, I don't.

6 Q. And you stated that you had found these --
7 found the documents -- found the email that these
8 documents were attached to in your email; is that
9 correct?

10 A. Yes.

11 Q. Okay. And what did those documents show in
12 that email?

13 A. The email was just like it is here; right?
14 But then you open the attachments, and there's this one
15 right here, and then there's this document sans the
16 handwriting at the bottom where it says "chad and
17 steve." Otherwise, the rest of it is there. And I
18 hadn't seen that document until I started going through
19 it for the receiver.

20 Q. So on the rest of that document --

21 A. Because the receiver showed me this, and I
22 was just like, "Wow," and went back and looked up and
23 opened up the PDF document on the original email, and lo
24 and behold, this is there, and this is there, but it
25 didn't have this, this writing here at the bottom.

1 That's what I'm talking about. Your client
2 has a history of altering documents and forging
3 documents to his own benefit.

4 Q. Did --

5 A. Ask the federal court about it. He got
6 caught doing it there too.

7 Q. Did the document have the handwriting -- the
8 document that you opened up in your email account have
9 the handwriting on the left margin?

10 A. Yes, it did, right here at the top where it
11 says -- I can't -- it's illegible -- intelligible. I
12 can't read it, but it was -- that was in there.

13 Q. So you don't recall seeing this document at
14 the time in June of 2010; correct?

15 A. No, I did not. It was a PDF that I opened up
16 about two weeks ago and looked at.

17 Q. Do you recognize the handwriting in the
18 left-hand margin?

19 A. No, I don't recognize the handwriting in the
20 left-hand margin. It could be -- it looks suspiciously
21 like Mark Phillips' handwriting, because he has a
22 tendency to write very small and all lowercase letters.

23 Q. Okay. Did the document have any sort of
24 watermark on it that you can recall, from a scanner?

25 A. I don't recall.

1 How does a scanner leave a watermark? Just
2 for my information. I'm not sure how a scanner leaves a
3 watermark. Usually, a watermark's impregnated on a
4 piece of paper; correct?

5 Q. Yes.

6 A. Okay. So how would a scanner leave a
7 watermark?

8 Q. I think I was just asking if the document
9 that you recall seeing had -- if it had any sort of
10 watermark on it.

11 A. No. It was a PDF document I opened on the
12 computer.

13 Q. And -- okay. Are you in possession of any
14 other handwritten documents from Mark that you have not
15 received by email?

16 A. Not any -- no. Not now.

17 Q. So what do you mean by "not now"?

18 A. As of this moment, I don't have any
19 handwritten documents from Mark Phillips.

20 Q. Do you recall, at the time in June when Mark
21 was living with you, if he ever provided you with
22 written documents in his handwriting?

23 A. I don't recall, but I'm sure he did. He
24 lived in my house.

25 Q. Okay. Would -- would it be possible that

1 these were handwritten instructions or notes to you?

2 MR. WEYTHMAN: Objection. Calls for
3 speculation.

4 THE WITNESS: I don't -- I don't know.

5 Q. (BY MR. YURCHAK) Now, are these documents
6 that you're able to provide to us from your email
7 account regarding what we have just discussed?

8 MR. WEYTHMAN: Objection. Vague.

9 Q. (BY MR. YURCHAK) Are you able to provide
10 these documents that you've -- that you've referenced
11 having received from Mark with respect to Exhibit 34?

12 A. Do I have these on an email? Yes, I have
13 them in an email, in a PDF -- attachment -- PDF
14 attachment to an email. Yes, I have them.

15 Q. I understand you have them. Are you able to
16 provide them?

17 A. I don't know. It depends on what my
18 attorneys say.

19 Q. Okay. Do you recall when Mark Phillips was
20 released from custody?

21 A. Which time?

22 Q. When he was released from Sheridan in Oregon
23 after serving his sentence.

24 A. Vaguely, yeah. I believe it was in October
25 time frame?

1 Q. Of what year?

2 A. I think it was 2012.

3 Q. Okay. Did you have -- do you recall any
4 conversations with Mark at that time, after his release?

5 A. We had a couple conversations, yes.

6 Q. Did Mark come to ask about what was happening
7 with Hunts Point Ventures?

8 A. Mark wanted a meeting, and he had drafted
9 Joint Consent in Lieu of Shareholders or some other
10 stuff and meeting minutes, making him CTO and -- and
11 shareholder of Hunts Point Ventures.

12 Q. Okay. And did he ask you to do anything?

13 A. He asked me to sign those.

14 Q. And what was your response?

15 A. "No."

16 Q. Did you have any further discussions about
17 what kind of role Mark might have in Hunts Point
18 Ventures at that time?

19 A. Yes.

20 Q. What were those discussions?

21 A. Steve and I spoke with Mark and informed him
22 that we would very much like to have a business
23 relationship with him as far as Hunts Point Ventures is
24 concerned because we saw the value in his technology
25 genius; however, because of the fact that he was a

1 convicted felon on white-collar criminal counts,
2 including fraud and money laundering, that having him as
3 a director or board member of the company could prove
4 detrimental, considering the fact that the primary
5 business purpose of Hunts Point Ventures was to litigate
6 patents.

7 To have somebody who'd been already
8 admonished by a federal judge for lying on the stand
9 would not be conducive to business; however, we were
10 open to trying to set up some sort of a contractual
11 relationship with him and make everybody happy, at which
12 point Mark decided that, no, that everything was his.
13 And he yelled at us and stormed out and said we were
14 going to be sued. He threw a tantrum.

15 MR. PHILLIPS: Bullshit.

16 MR. ARD: Let the record reflect the
17 attendee said, "Bullshit."

18 Q. (BY MR. YURCHAK) Was -- the concern about
19 him being a convicted felon, was that a concern that you
20 shared?

21 A. About Mark being a convicted felon?

22 Q. Right.

23 A. Having him on the corporate -- as CTO of a
24 corporation when your whole job is to prosecute patents
25 and people are going to call into question whether or

1 not -- you know, the honesty of things, it would seem
2 that kind of a foolish move, instead to have him work
3 behind the scenes, you know? I mean, it just --

4 Q. Is that --

5 A. What would you do?

6 Q. I don't know.

7 Is that a discussion -- did you have any
8 discussions with John Du Wors about how to handle Mark
9 with respect to Hunts Point Ventures?

10 A. Yes.

11 Q. And what was John Du Wors' opinion about
12 that?

13 A. I'm trying to remember. John Du Wors was, I
14 believe, the one that suggested that we try to find some
15 sort of -- what do you want to call it? -- advisor or
16 contractual relationship with Mark in that capacity.

17 Q. Did you propose any terms to Mr. Phillips
18 with respect to the involvement that you saw him having?

19 A. We didn't quite get that far because, like I
20 said, he threw a temper tantrum and stormed out of the
21 room.

22 Q. You said that Mark Phillips was admonished
23 for lying on the stand. How are you aware of that?

24 MR. WEYTHMAN: Objection.
25 Mischaracterizes the witness's testimony.

1 THE WITNESS: I believe it was when --
2 in the federal court, in his criminal trial, he was
3 caught, I remember reading someplace, mischaracterizing
4 things and also in fabricating documents in the transfer
5 of the watches and invoices and stuff of that matter.

6 Q. (BY MR. YURCHAK) You said you read
7 something?

8 A. I read, yeah, something about that in his --
9 I don't recall exactly where, but it was part of the
10 reason why he got -- you know, went to jail.

11 Q. Did you attend any part of his trial?

12 A. I believe I attended the closing arguments.

13 Q. Did you ever agree to make Mark Phillips an
14 officer of Hunts Point Ventures after his release?

15 A. No.

16 Q. How did Mark Phillips learn that he was not
17 going to be -- from whom did Mark Phillips learn that he
18 was not going to have any role in Hunts Point Ventures
19 because of him being a convicted felon?

20 MR. WEYTHMAN: Objection. No personal
21 knowledge.

22 THE WITNESS: I don't know.

23 Q. (BY MR. YURCHAK) You don't know from whom he
24 learned that he would no longer have a role in Hunts
25 Point Ventures?

1 A. No.

2 Q. At some point in time -- did you become aware
3 in 2003 that there was a patent maintenance fee that was
4 due for the IP held in Hunts Point Ventures?

5 A. I was living in California in 2003.

6 Q. 2013. Thank you.

7 A. Oh. Yes.

8 Q. And how did you become aware of that?

9 A. I believe it was from John Du Wors. I don't
10 recall exactly.

11 Q. Do you recall if Hunts Point Ventures made
12 any payment on that patent?

13 A. That was what John Du Wors was directed to do
14 with John Whitaker. John Whitaker, I believe, was the
15 one that was handling that because he, like, does the
16 patent portion with Newman & Du Wors.

17 Q. Did you retain John Whitaker to handle the
18 patents?

19 A. He was part of Hunts Point Ventures' counsel
20 group. He worked for Newman & Du Wors.

21 Q. Who is part of the Hunts Point Ventures
22 counsel group?

23 A. Newman & Du Wors.

24 Q. I understand that law firm has a number of
25 attorneys.

1 A. Yes.

2 Q. Is every attorney -- is your testimony that
3 every attorney in that firm is of counsel on Hunts Point
4 Ventures?

5 A. I -- I don't -- I mean, we -- Hunts Point
6 Ventures employed that law firm, and they had various
7 attorneys working on various things.

8 Q. Okay.

9 A. So I don't know if that means you have to
10 deal with a single attorney or -- but I know that there
11 were several working on different aspects. And I know
12 John Whitaker specialized in the patent exam and reexam
13 stuff and that sort of --

14 Q. And as far as you're aware, John Whitaker is
15 a member of -- of that law firm?

16 A. As far as I know, yeah. If you look on their
17 website, he's on there.

18 Q. And going back again to the issue with the
19 payment on the maintenance fee --

20 A. Uh-huh.

21 Q. -- how did you become aware of it?

22 MR. WEYTHMAN: Asked and answered.

23 THE WITNESS: I told you I believe John
24 Du Wors notified me of it and he was taking care of it.

25 Q. (BY MR. YURCHAK) So John Du Wors said that

1 he would take care of the patent fee; is that correct?

2 A. If I -- that was his job. That was -- the
3 law firm's job is to take care of that stuff. I mean,
4 who do I send the check to? I don't know. That's what
5 patent attorneys get paid to do.

6 Q. What was your understanding about where the
7 funds would come from to do that?

8 A. There was limited funds left in the Hunts
9 Point Ventures IO -- "IOLTA" account and that that would
10 be covered there.

11 Q. So John Du Wors told you that the fee would
12 be paid out of the IOLTA account?

13 A. I don't recall him specifically stating that,
14 but that was kind of the understanding.

15 Q. Your understanding was that he reassured you
16 he would take care of the payment and that you didn't
17 need to worry about it?

18 A. Yes. That's what their job was.

19 Q. Okay. He didn't ask you for funds for it?

20 A. No.

21 Q. And as far as you're aware, were any of the
22 patents undergoing a reexamination process?

23 A. Yes.

24 Q. Do you recall which patents?

25 A. There was one, and I believe it was the

1 buffering patent, and that reexam was initiated by
2 Epson.

3 Q. And when was that?

4 A. I think in 2012 was when it was initiated. I
5 don't recall exactly.

6 Q. And do you recall if Newman & Du Wors was --
7 the same law firm, was the one to take care of the
8 reexamination issue?

9 A. I assume so, because John Whitaker worked
10 for -- was a member of Newman & Du Wors.

11 Q. Did you have any interaction with John
12 Whitaker regarding retaining him for the reexamination?

13 A. If I remember correctly, there was some email
14 communication. I don't recall exactly what it was.

15 Q. Do you recall signing any retainer agreement
16 with John Whitaker?

17 A. I don't recall.

18 Q. Do you recall if the John Whitaker Law Group
19 ever billed Hunts Point Ventures for its services or if
20 it billed -- or if the bill came through Newman &
21 Du Wors?

22 A. I don't recall.

23 Q. And what further contacts did you have with
24 John Whitaker regarding the reexamination process?

25 A. I'm sorry?

1 Q. What further contacts did you have with John
2 Whitaker during the reexamination process?

3 A. What context or contact --

4 Q. Contacts -- contact.

5 A. Contacts.

6 Q. Contact.

7 A. Okay. I had limited contact with John
8 Whitaker in the reexamination process.

9 Q. Were you kept aware of the process, the
10 status, the progress?

11 A. Not that I recall. It was being taken care
12 of.

13 Q. Did you have any concerns that there was
14 any -- were you made aware of any concerns regarding how
15 it was being taken care of?

16 A. Not until I think there was an issue that
17 cropped up; and, otherwise, I had -- it was the first I
18 had heard of it.

19 Q. And what was that issue?

20 A. That it was late.

21 Q. And when were you made aware of it?

22 A. I don't recall the date. I just recall it
23 was late.

24 Q. Time frame?

25 A. I don't recall.

1 Q. Do you recall who made you aware of it?

2 A. I believe it was John Du Wors. I'm not sure.

3 Q. And do you recall what the concern was with
4 it being late?

5 A. I remember being told that it would be fine,
6 it's not a big deal --

7 Q. Okay.

8 A. -- and it would be taken care of.

9 Q. And you remember being told that by whom?

10 A. I believe it was John Du Wors, because I
11 didn't really talk with John Whitaker.

12 Q. And did you ever have occasion to follow up
13 to get additional information about how it was being
14 taken care of?

15 A. I didn't understand the process. That's what
16 attorneys get paid to do. John Whitaker is supposed to
17 be an expert in that area. I was told he was taking
18 care of it. You rely on your attorneys to do the right
19 thing.

20 Q. So how would you describe your involvement
21 in -- in the work that was being done on the
22 reexamination?

23 A. "Take care of it." Not -- that's what the
24 attorneys do. That's what they get paid to do.

25 Q. Were you ever copied on any of their

1 work product?

2 A. I don't recall if I was or not.

3 Q. Did you ever seek reassurances that the
4 matter was in fact taken care of?

5 MR. WEYTHMAN: Objection. Asked and
6 answered.

7 THE WITNESS: I asked John -- John
8 Du Wors made me aware of it. I told him to take care of
9 it.

10 Q. (BY MR. YURCHAK) I guess what I'm getting
11 at -- were you ever told by any of those attorneys that
12 the matter had been taken care of?

13 A. I don't recall. I -- I don't recall if I had
14 been told that it had been taken care of, but they were
15 taking care of it.

16 Q. Did you feel that there was any cause for
17 concern over the buffering patent, given your role as
18 the CEO of Hunts Point Ventures?

19 A. I was concerned as to why this had come up at
20 such a late time, why the attorneys had let it wait that
21 long. That was my concern. I don't have the technical
22 expertise or the legal know-how around the United States
23 Patent and Trademark Office to go in and give direction.
24 That is their expertise and their job.

25 Q. When you raised that concern, what was their

1 response?

2 A. I believe it was "We'll take care of it.
3 Don't worry. We do this all the time."

4 Q. Did you get any answer as to why the -- what
5 the reason was for the lateness in addressing that
6 issue?

7 A. If I remember correctly, it was kind of a
8 passing of the buck, kind of a passing of "This is not
9 my fault. This is" -- "he's doing it. He was supposed
10 to be" -- kind of a passing of the buck back and forth
11 between John Whitaker and John Du Wors.

12 Q. And are you aware of what the final outcome
13 was?

14 A. No.

15 Q. Are you aware of the current status of the
16 buffering patent?

17 A. I hear it's in question.

18 Q. And why is that you're not aware of what the
19 final status of what -- the work that was done on the
20 reexamination?

21 A. The company's in receivership. I have no say
22 over anything.

23 Q. I understand, but prior to the receivership,
24 did you have any awareness of the status of the work
25 that had been done on the buffering patent?

1 A. Last I had heard, it had been submitted, and
2 they were going through the process.

3 MR. ARD: Take five minutes so we can
4 talk?

5 MR. YURCHAK: Short break?

6 MR. WEYTHMAN: Sure.

7 (Break taken from 4:04 to 4:08 p.m.)

8 Q. (BY MR. YURCHAK) I just want to ask about
9 one final thing regarding Sandy Hoover.

10 Do you recollect when -- first of all, who is
11 Sandy Hoover?

12 A. She's my mother-in-law.

13 Q. And did she ever make any -- did she ever
14 place -- ever place money into Hunts Point Ventures?

15 A. Yes.

16 Q. And when did that happen?

17 A. I don't recall exactly, but I do know that
18 Mark was not back in jail yet; so if you're going to go
19 by those kind of events, it would have to be in the
20 summer of 2010.

21 Q. And were you involved in any way when Sandy
22 made -- well, first of all -- yeah. Were you involved
23 in any way when the money was put into Hunts Point
24 Ventures in the summer of 2010 by Ms. Hoover?

25 MR. WEYTHMAN: Objection. Vague.

1 Ambiguous.

2 Q. (BY MR. YURCHAK) Were you involved in any
3 way with her loaning the -- her making the payment to
4 Hunts Point Ventures?

5 A. How -- what do you mean "involved"?

6 Q. Were you involved in any of the discussions,
7 in the process?

8 A. I introduced her to Steve Schweickert and
9 Mark Phillips.

10 Q. Okay. And what was your understanding about
11 what that transaction was whereby her money was put into
12 Hunts Point Ventures?

13 A. I'm sorry. Can you clarify that a little
14 bit.

15 Q. What was your understanding of what the
16 transaction was whereby her money was put into Hunts
17 Point Ventures?

18 A. It was a loan.

19 Q. Okay. So it was a loan. It's not an
20 investment; correct?

21 A. It was a loan.

22 Q. Okay. And so you stated your involvement was
23 simply to introduce her to Steve and Mark; is that
24 correct?

25 A. That's correct.

1 Q. And are you aware of how she came to decide
2 to make that loan to Hunts Point Ventures?

3 MR. WEYTHMAN: Objection. Calls for
4 speculation.

5 THE WITNESS: I can tell you what her --
6 what she has said to me about it. Is that what you're
7 looking for?

8 Q. (BY MR. YURCHAK) I'm looking for whatever
9 answer you want to give me.

10 A. She had been approached -- I know Steve had
11 wanted to meet with her, and so I arranged for her and
12 Steve to meet, and they had coffee and talked about it.
13 And Steve initially asked her for a \$250,000 loan, and I
14 know she -- she said she wanted to think about it. I
15 mean, someone doesn't make those kinds of decisions in
16 haste. And she was hesitant.

17 And then she met -- we had lunch, I believe,
18 with Steve, myself, and Mark. And I don't know if Doug
19 Lower was there or not. And that's where Mark worked
20 his magic and his charm. Because Sandy has told me
21 after the fact that she went into that lunch not
22 intending to loan HPV any money because of all the
23 litigation that was going on, but she was charmed by the
24 story that Mark had and bought into the idea and decided
25 to loan the company \$100,000.

1 Q. And was -- what was your understanding about
2 the terms of that note? Let me ask -- rephrase.

3 Are you aware if that loan was secured or
4 not?

5 A. Yes.

6 Q. And we're talking about the loan in 2010; is
7 that correct?

8 A. I believe that's when it was, yes.

9 Q. And do you recall how it was secured?

10 A. If I recall correctly, she did not want to
11 just give the loan and have a promissory note. She
12 wanted some sort of security interest in the
13 corporation, in the assets of the corporation, before
14 she turned over the money.

15 Q. And have you -- as the CEO of Hunts Point
16 Ventures, have you had occasion to come across a
17 security agreement from 2010 that secured that loan?

18 A. Yes. I've seen the security agreement.

19 Q. Okay. And I assume that's a document that
20 you'd be able to produce?

21 A. Yeah. The receiver's got all the
22 documentation now.

23 (Exhibit No. 36 marked for
24 identification.)

25 THE COURT REPORTER: Exhibit 36.



1 Q. (BY MR. YURCHAK) Do you recognize
2 Exhibit 36?

3 A. Uh-huh. Yes.

4 Q. And what do you recognize it to be?

5 A. A promissory note.

6 Q. Between whom?

7 A. Between Sandy Hoover and Hunts Point
8 Ventures, Incorporated.

9 Q. Okay. And do you see when it's dated?

10 A. Yeah. October 15th, 2010.

11 Q. Okay. And is there any language in this
12 promissory note with reference to an accompanying
13 security agreement?

14 A. No. I believe the security agreement was a
15 separate document.

16 Q. And do you know when that security agreement
17 was executed?

18 A. I believe it was executed the same time as
19 this document was executed. I don't recall. I wasn't
20 there for that -- this. This was between Sandy and
21 Steve.

22 Q. And the principal, it said, shall be repaid
23 no later than December 31st, 2012; is that correct?

24 A. That's what it says.

25 Q. Are you aware if her principal is repaid?

1 A. No.

2 Q. Are you aware of what the terms of the
3 security agreement were?

4 A. I'd have to see the security agreement.

5 Q. You're not presently aware, then?

6 A. Well, I'm -- I know it's there, but I don't
7 know the specifics. I'd like to see the security
8 agreement.

9 Q. Are you aware of what was being secured as
10 collateral on this loan --

11 A. Yes.

12 Q. -- on this promissory note?

13 And what was that?

14 A. It was the intellectual property, the assets
15 of the company.

16 Q. So the entire assets? Does that include all
17 of the patents?

18 A. That -- those were the assets of the company.

19 Q. I'm just asking -- there's multiple patents
20 and asking if your testimony is that the entire
21 portfolio of patents was secured with her note.

22 A. Yes.

23 Q. And did she take any -- and I believe you
24 said she was not repaid on her note. Did she take any
25 action on the security agreement when she was not

1 repaid?

2 A. No.

3 MR. WEYTHMAN: Objection.

4 Mischaracterizes the witness's testimony. I believe he
5 said he wasn't aware of whether it had been paid.

6 Q. (BY MR. YURCHAK) Can we clarify that. Were
7 you -- are you aware or not if she -- if Ms. Hoover was
8 ever repaid on her note?

9 A. She was not repaid on her note.

10 Q. And you said she did not take action on the
11 security agreement?

12 A. No.

13 Q. And why was that?

14 A. She wanted to give the company a chance to
15 make money because she knew it was tied up in
16 litigation.

17 Q. Okay.

18 A. And what's she going to do? I mean,
19 foreclose on her note and take the IP and then do what
20 with it?

21 Q. Did you have any discussions with her about
22 that?

23 A. I don't recall specific discussions about it,
24 but it was kind of like she didn't want to sink the
25 company.

1 Q. And did you mention that you had provided the
2 receiver with a copy of the security agreement?

3 A. It was part of the corporate documents.

4 Q. That were produced to the receiver?

5 A. Yes.

6 Q. Did you go over all of the documents that
7 were produced to the receiver?

8 A. Most of them. I mean, I believe so. It
9 was -- yeah. I mean, it's -- it's not like I read
10 through every single document with a fine-tooth comb,
11 but we had started a corporate binder and put together
12 the information. And we had it there, and the receiver
13 asked for it; so it was turned over to the receiver.

14 Q. Did all of that information come from that
15 box you described Steve Schweickert handing you in
16 mid-2012 of jumbled, disorganized documents?

17 A. Yes.

18 Q. You didn't otherwise have any -- possession
19 of any other corporate documents of Hunts Point
20 Ventures?

21 A. With the exception of the ones that had
22 happened from meetings and so on and so forth since we
23 had received the box of crap, as I like to refer to it.

24 Q. What was your understanding about Doug
25 Lower's role in Hunts Point Ventures?

1 A. Doug Lower was supposed to be a part of Hunts
2 Point Ventures and at some point was supposed to become
3 a shareholder of Hunts Point Ventures, and then he
4 decided to leave.

5 Q. Do you recall what period of time he was
6 involved in Hunts Point Ventures?

7 A. I believe it was in -- I -- I don't recall
8 exactly when, but I'm trying to go through, like, time
9 milestones. I believe it was until sometime in 2011.
10 I'm not sure.

11 Q. Are you aware of what function he performed?

12 A. No.

13 Q. Are you aware of him receiving disbursements
14 from Hunts Point Ventures?

15 A. Yes.

16 Q. Do you know what those disbursements were
17 for?

18 A. They were supposed to be loans to him to be
19 paid back when the company -- he started making money
20 from the company. And trust me. He took all he could
21 get. I think Doug said to me -- he asked me why -- when
22 Steve started giving disbursements, why I wasn't taking
23 more.

24 And my response to him was "That's money to
25 run the company. I don't need that."

1 And he said, "You might as well get the money
2 while it's there, because when it's gone, it's gone."
3 That should tell you a little bit about Doug's
4 mentality.

5 Q. So you characterize it as loans that's owed
6 against money that he would make in the future from
7 Hunts Point Ventures?

8 A. Yes.

9 Q. Was Doug Lower working on behalf of Hunts
10 Point Ventures at that time?

11 A. He was doing different things. What exactly,
12 I'm not sure.

13 Q. Was it your understanding that he was
14 working, though, on behalf of the corporation, even if
15 you don't understand exactly what he was doing?

16 A. Yes. I mean, he was doing things and trying
17 to juggle the crap that Mark was dishing out. And it
18 was just a convoluted history with that company.

19 Q. Yeah.

20 A. And I don't know exactly what people were
21 doing.

22 Q. And to follow up on that, why -- why, then,
23 if he's working on behalf of Hunts Point Ventures, was
24 the decision made to characterize his payments as a loan
25 instead of -- instead of money owed for services

1 performed?

2 A. I don't know.

3 MR. WEYTHMAN: Objection.

4 THE WITNESS: Oh, go ahead.

5 MR. WEYTHMAN: Calls for speculation.

6 THE WITNESS: I don't know. You'll have
7 to ask Steve Schweickert.

8 Q. (BY MR. YURCHAK) Were any of those services
9 performed after 2011?

10 A. I don't recall.

11 Q. And what kind of relationship did Lower have
12 with Schweickert?

13 MR. WEYTHMAN: Objection. Calls for
14 speculation. No personal knowledge. Lacks foundation.

15 THE WITNESS: Friendly.

16 Q. (BY MR. YURCHAK) Okay. Do you feel that
17 Steve Schweickert ever received disbursements from Hunts
18 Point Ventures that he wasn't entitled to?

19 MR. WEYTHMAN: Objection. Calls for a
20 legal conclusion.

21 THE WITNESS: I don't know.

22 Q. (BY MR. YURCHAK) Are you aware of Steve
23 Schweickert receiving \$8,500 in mid-2012?

24 A. Yes.

25 Q. Did that come prior to the time or after the

1 time of your -- of that joint consent that was signed
2 in -- that was dated May 29, 2012?

3 A. Prior.

4 Q. And do you recall why he received those --
5 that payment?

6 A. I believe it was to defend against a DUI.

7 Q. Did you feel that was a legitimate corporate
8 purpose for those funds?

9 A. No.

10 Q. Did you approve -- do you approve of the use
11 of those corporate funds for Steve Schweickert's DUI?

12 A. I didn't -- wasn't in the position to approve
13 them.

14 Q. Were you ever in any position to approve
15 transactions that occurred -- financial transactions
16 that occurred with Steve when you were in a position to
17 approve them?

18 A. No. I don't recall any financial
19 transactions involving Steve when I was in a position to
20 approve them.

21 Q. And it's -- is it your belief that you were
22 only in a position to approve them after May of 2012?

23 A. Yes.

24 MR. YURCHAK: And I think we'll end on
25 that note.

1 MR. PHILLIPS: Wait, Reed.

2 THE COURT REPORTER: Off the record?

3 MR. YURCHAK: Yeah.

4 (Signature reserved.)

5 (Deposition concluded at 4:26 p.m.)

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I declare under penalty of perjury that I
have read my within deposition, and the same is true and
accurate, save and except for the changes and/or
corrections, if any, as indicated by me on the
Correction Sheet.

Dated this ____ day of _____, 2014, at
_____(city/state).

CHAD RUDKIN

KRISTIN L. MATTSSEN, CCR
Court Reporter



1 C E R T I F I C A T E

2 STATE OF WASHINGTON)
) SS.
3 COUNTY OF KING)

4 I, the undersigned Washington Certified Court
Reporter, pursuant to RCW 5.28.010 authorized to
5 administer oaths and affirmations in and for the State
of Washington, do hereby certify:

6 That the annexed and foregoing deposition
consisting of pages 1 through 240 of the testimony of
7 each witness named herein was taken stenographically
before me and reduced to typed format under my
8 direction;

9 I further certify that according to CR 30(e)
the witness was given the opportunity to examine, read
10 and sign the deposition after the same was transcribed,
unless indicated in the record that the review was
11 waived;

12 I further certify that all objections made at
the time of said examination to my qualifications or the
13 manner of taking the deposition or to the conduct of any
party have been noted by me upon each said deposition;

14 I further certify that I am not a relative or
15 employee of any such attorney or counsel, and that I am
not financially interested in the said action or the
16 outcome thereof;

17 I further certify that each witness before
examination was by me duly sworn to testify the truth,
18 the whole truth and nothing but the truth;

19 I further certify that the deposition, as
transcribed, is a full, true and correct transcript of
20 the testimony, including questions and answers, and all
objections, motions, exceptions of counsel made and
21 taken at the time of the foregoing examination and was
prepared pursuant to Washington Administrative Code
22 308-14-135, the transcript preparation format
guidelines;

23 I further certify that I am sealing the
24 deposition in an envelope with the title of the above
cause and the name of the witness visible, and I am
25 delivering the same to the appropriate authority;



1 I further advise you that as a matter of firm
2 policy, the Stenographic notes of this transcript will
3 be destroyed three years from the date appearing on this
Certificate unless notice is received otherwise from any
party or counsel hereto on or before said date;

4 IN WITNESS WHEREOF, I have hereunto set my
5 hand and affixed my official seal this 26th day of
March, 2014.

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Kristin L. Mattsen, CCR
Washington State Certified
Court Reporter
License No. 3280

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1 MARK E. PHILLIPS,)
)
 2 Plaintiff,)
)
 3 vs.) No. 13-2-01337-1 SEA
)
 4 EILEEN CHRISTINE ACHESON and)
 JOHN DOE ACHESON, and the)
 5 marital community composed)
 thereof; and JOHN AND JANE)
 6 DOES 1-4,)
)
 7 Defendants.)

8 TO: CHAD RUDKIN
 c/o RYLAN S. WEYTHMAN
 9 Attorney at Law
 FOSTER PEPPER PLLC
 10 1111 Third Avenue, Suite 3400
 Seattle, Washington 98101-3299

11 NOTICE IS HEREBY GIVEN that the transcript of your
 12 deposition given in the above-entitled cause is ready
 for your reading and signing at MOBURG, SEATON &
 13 WATKINS, 2033 SIXTH AVENUE, SUITE 826, SEATTLE,
 WASHINGTON 98121. You must, within 30 days from the
 14 date of the notice, read and sign the deposition or
 state in writing your reason for refusal to sign, or
 15 state in writing the fact that you waive your right to
 sign. Failing to do so, signature shall be deemed for
 16 all purposes waived, and your deposition will be sent to
 the ordering party for retention until time of trial.
 17 DATED at Seattle, Washington, this 26th day of March
 2014.

18
 19
 20 cc: R. Yurchak BY: KRISTIN L. MATTSSEN, CCR
 Moburg, Seaton & Watkins
 Court Reporters (206) 622-3110
 21 2033 Sixth Avenue, Suite 826
 Seattle, Washington 98121
 22
 23
 24
 25

1 MOBURG, SEATON & WATKINS
COURT REPORTERS
2 2033 SIXTH AVENUE, SUITE 826
SEATTLE, WASHINGTON 98121
3 206-622-3110 FAX 206-343-2272

4
5 PLEASE MAKE ALL CHANGES OR CORRECTIONS ON THIS SHEET,
SHOWING PAGE, LINE, AND REASON, IF ANY. SIGN THIS SHEET
AND SIGN THE ACCOMPANYING SIGNATURE PAGE (DECLARATION).
6

7 PAGE LINE CORRECTION AND REASON

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CHAD RUDKIN
Date taken: 3-17-14

24

25 REPORTER: KRISTIN L. MATTSSEN, CCR



March 17, 2014

PHILLIPS vs. RUDKIN

Chad Rudkin

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1 D E C L A R A T I O N

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3

4

5 I declare under penalty of perjury that I
6 have read my within deposition, and the same is true and
7 accurate, save and except for the changes and/or
8 corrections, if any, as indicated by me on the
9 Correction Sheet.

10

11 Dated this 25th day of April, 2014, at
12 Bonney Lake, Washington.

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/s/Chad H. Rudkin
CHAD RUDKIN

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24 KRISTIN L. MATTSEN, CCR

25 Court Reporter

March 17, 2014

PHILLIPS vs. RUDKIN

Chad Rudkin

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 6

7	PAGE	LINE	CORRECTION AND REASON
8	78	6-7	Replace "MR. ARD" with "MR. PHILLIPS"
9			because Mr. Phillips was the speaker.
10	201	5	Replace "deposition" with "declaration"
11			due to obvious mistatement.

12

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22 /s/Chad H. Rudkin, 4-25-2014

23 CHAD RUDKIN
 Date taken: 3-17-14

24

25 REPORTER: KRISTIN L. MATTSSEN, CCR